

INTERNATIONAL Herald Tribune

Published with The New York Times and The Washington Post

PARIS, FRIDAY, DECEMBER 23, 1977

Established 1887

WEATHER - PARIS: Friday, scattered
clouds. High 45 (13°C). Saturday, possible
snow. High 40 (4°C). Sunday, cloudy.
Channel: Moderate. Breeze: Friday,
strong 3-4 (45-55). NEW YORK: Fri-
day, Temp. 6-4 (45-38).

Austria	12.8	Kenya	Shs. 41.25
Belgium	35.0	Lebanon	20 L.P.
Denmark	3.50	Luxembourg	20 L.P.
France	5.5	Nigeria	3.50
Germany	2.50	Portugal	1.50
Greece	1.50	Spain	1.50
India	1.50	Sweden	1.50
Italy	1.50	Switzerland	1.50
Japan	1.50	Turkey	1.50
South Africa	1.50	U.S. Military	1.50
U.K.	1.50	Yugoslavia	1.50



Hostages rush out of a Subic Bay bank after subduing gunman and Marines prepare to rush in.

Philippine Hostages Kill Gunman, End Bank Siege

After Threat to Burn Pregnant Woman

SUBIC BAY, Philippines, Dec. 22 (AP)—A gunman threatened to burn a pregnant woman to death in a bank siege here today, but she and other hostages killed him and escaped. The gunman, who was armed with a rifle, was shot dead by the hostages. The siege ended after a 12-hour standoff. The hostages, including a pregnant woman, were released safely. The gunman was identified as a member of a local militant group. The bank was a small, two-story building. The siege began in the early morning. The gunman demanded a large ransom. The hostages refused his demands. The gunman threatened to kill the hostages if his demands were not met. The hostages killed the gunman. The siege ended. The hostages were released. The gunman was shot dead. The siege was over.

Manila's Dealing With U.S. Affected

5-Year Aquino Case May Be Near Resolution

MANILA, Dec. 22 (WP)—A bright-eyed girl in a T-shirt, long trousers and sneakers scurried happily about the courtroom, oblivious to the stern talk of the soldiers and lawyers. To Kris Aquino, 6, it was all very natural. Her father, former Sen. Benigno Aquino, is the Philippines' most celebrated political prisoner, and she has been in and out of courtrooms and prisons all her life. He has been in prison since she was a year old. Now the murder, subversion and arms-possession case against Mr. Aquino, 45, has taken another turn, and the five-year-old case may be approaching a climax. After resolutely refusing to acknowledge the jurisdiction of a military tribunal during months of trial proceedings, Mr. Aquino was suddenly sentenced on Nov. 23 to be executed by a firing squad. There was an international uproar. Philippine President Ferdinand Marcos, who had Mr. Aquino, his leading political opponent, arrested the day he declared martial law in September, 1972, quickly reopened the case. Then the Supreme Court ordered all parties to wait while it decided if due process had been violated. Little of this is likely to please Mr. Marcos, who has been attempting the difficult task of

Black Youth Not Killed in South Africa

JOHANNESBURG, South Africa, Dec. 22 (UPI)—South African police shot into crowds of black youths in a new tactic today, killing one and wounding three yesterday, police said.

Belgrade Conference Adjourns Till Jan. 17

BELGRADE, Dec. 22 (UPI)—The Belgrade conference reviewing the 1975 Helsinki agreement on European Security adjourned today for the holidays, today after 11 days of debate. The 35-nation conference will reconvene Jan. 17 for a month of negotiations on a final report.

Saudi Arabia and U.S.—A Global Power Relationship

Strategic Objectives of 2 Nations Are Now Almost Similar

By Jim Hoagland and J.P. Smith

WASHINGTON, Dec. 22 (WP)—The enormous power that has settled uneasily onto the shoulders of an elderly and infirm king, his two determined but mutually distrustful half-brothers and their 2,000 uncles, cousins and other male relatives is now thrusting Saudi Arabia into the front line of world politics. Taken for granted or even ignored by past U.S. administrations as a policy pygmy in its own region, Saudi Arabia and its royal family have in four years moved swiftly toward the center of U.S. calculations and objectives abroad. That movement is beginning to affect U.S. ties to its two strongest traditional allies in the Middle East, Israel and Iran, who now share their positions as U.S. surrogates in the region with Saudi Arabia. The Carter administration is stepping up reliance on Saudi Arabia in foreign policy, just as Iran and Israel are seeking, for separate reasons, to become less dependent on their ties to Washington. Moreover, the Saudis are using their still-growing oil wealth to counter radical trends and Soviet influence in the Middle East, Africa and even Western Europe. The United States relies on Saudi Arabia for 25 per cent of its imported petroleum supplies. The Saudis have put an estimated \$40 billion into the U.S. economy in the past four years, giving them enough leverage to affect U.S. interest rates and the strength of the dollar on foreign exchange markets in the unlikely event they should choose to do so. "We are reaching the point

Begin Wins Cabinet Backing

Egypt Said to Get Assurances From Israelis on Palestinians

By Henry Tanner

CAIRO, Dec. 22 (NYT)—Egypt has received assurances that Israel Prime Minister Menachem Begin, in his meeting with President Anwar Sadat on Christmas Day, will take a substantially more forthcoming position on the crucial Palestinian issue than he did publicly in Washington and New York, Egyptian officials said today. The assurances came from the Carter administration, as well as from Israeli Defense Minister Ezer Weizman, who conferred with President Sadat in Jerusalem on Tuesday and yesterday. After Mr. Begin had left the United States. The assurances came from the Carter administration, as well as from Israeli Defense Minister Ezer Weizman, who conferred with President Sadat in Jerusalem on Tuesday and yesterday. After Mr. Begin had left the United States.

Rebound on European Markets

U.S. Dollar Policy Welcomed

By Paul Lewis

PARIS, Dec. 22 (NYT)—The dollar rebounded sharply on European currency markets today after President Carter's pledge yesterday to defend its value and the oil-exporting countries' failure to increase the price of oil. European governments expressed general satisfaction with the President's statement and particularly with his hint that the United States may intervene more to support the dollar on foreign exchange markets and with his promise to curb U.S. oil imports, which contribute to the dollar's weakness. Any increase in the world oil price at yesterday's meeting of exporting countries in Caracas would have forced the United States to spend more on oil imports and increase its large balance of payments deficit, which is the principal reason for the dollar's recent slump. In Bonn, Finance Minister Hans Apel publicly welcomed U.S. assurances on the dollar. "Satisfaction" in Bonn.

But No Drastic Steps Planned

Carter Statement Seen as Hint Of Greater Currency Backing

By Art Pine and Hobart Rowen

WASHINGTON, Dec. 22 (WP)—The United States, responding to European demands that it act to help stem the rapid decline in the dollar, indicated yesterday that it has modestly stepped up its efforts to support the dollar but does not plan any large-scale intervention in the currency markets. In a statement, President Carter reiterated previous administration policy that the United States would intervene in the markets "to the extent necessary to counter disorderly conditions." Other officials hinted that there had been increased intervention recently. However, high U.S. officials insisted that the action did not mark any "change" in the administration's previous hands-off posture on the dollar's decline and indicated that the United States was not planning any major step to prop up the dollar, as Europeans have urged. Gesture to Europe.

Belgrade Conference Adjourns Till Jan. 17

BELGRADE, Dec. 22 (UPI)—The Belgrade conference reviewing the 1975 Helsinki agreement on European Security adjourned today for the holidays, today after 11 days of debate. The 35-nation conference will reconvene Jan. 17 for a month of negotiations on a final report.

Saudi Arabia and U.S.—A Global Power Relationship

Strategic Objectives of 2 Nations Are Now Almost Similar

By Jim Hoagland and J.P. Smith

WASHINGTON, Dec. 22 (WP)—The enormous power that has settled uneasily onto the shoulders of an elderly and infirm king, his two determined but mutually distrustful half-brothers and their 2,000 uncles, cousins and other male relatives is now thrusting Saudi Arabia into the front line of world politics. Taken for granted or even ignored by past U.S. administrations as a policy pygmy in its own region, Saudi Arabia and its royal family have in four years moved swiftly toward the center of U.S. calculations and objectives abroad. That movement is beginning to affect U.S. ties to its two strongest traditional allies in the Middle East, Israel and Iran, who now share their positions as U.S. surrogates in the region with Saudi Arabia. The Carter administration is stepping up reliance on Saudi Arabia in foreign policy, just as Iran and Israel are seeking, for separate reasons, to become less dependent on their ties to Washington. Moreover, the Saudis are using their still-growing oil wealth to counter radical trends and Soviet influence in the Middle East, Africa and even Western Europe. The United States relies on Saudi Arabia for 25 per cent of its imported petroleum supplies. The Saudis have put an estimated \$40 billion into the U.S. economy in the past four years, giving them enough leverage to affect U.S. interest rates and the strength of the dollar on foreign exchange markets in the unlikely event they should choose to do so. "We are reaching the point



Crown Prince Fahd

UN to Start Anti-Racism Broadcasting

Relaying to S. Africa Will Start in March

By Don Shannon

WASHINGTON, Dec. 22—Daily United Nations radio broadcasts into South Africa attacking apartheid are scheduled to begin in March, UN members, including the United States, voted on Dec. 14 to launch the propaganda campaign with an annual budget of \$70,000. The vote was 140 to 0.

It was the first such action taken against a member state. South Africa remains in the United Nations despite the banning of its delegation from the General Assembly floor in 1975.

Carl Nofke, information counselor of the South African Embassy here, said that he doubts that the broadcasts will win many listeners in the competition for African audiences. He said he is not "losing any sleep over this."

South Africa still has a mission in New York, but it has not sought to regain its place within the organization and lost its vote because it has failed to pay dues since its delegation was banned.

The resolution ordered Secretary-General Kurt Waldheim to begin regular broadcasts "directed at South Africa and concerned with UN efforts against apartheid and in support of the right of self-determination, as well as with related matters of interest to the people of South Africa."

The measure also called on states whose radio transmitters can reach South Africa to make them available to the United Nations.

Erik Valters, Austrian chief of the United Nations radio services, said he is aiming at starting a daily hour of broadcasts by March 1.

The broadcasts will be relayed from UN headquarters to Africa by shortwave transmitters of the Voice of America to the British Broadcasting Corporation and the government radio facilities of West Germany, the Netherlands, the Soviet Union and China.

"We will provide four segments for each hour," he said. "One will be in English and another in Afrikaans, together with two others in native dialects of the black majority of South Africa."

© Los Angeles Times.

After 5 Years, Aquino Case May Be Resolved by Manila

(Continued from Page 1) can visit Mr. Aquino in his cell—actually a room with adjoining bath—from 3 to 5 p.m. on Wednesdays, 11 a.m. to 1 p.m. on Saturdays and all day Sundays. Mrs. Aquino is allowed to stay all night on Saturdays.

Mrs. Aquino is from a proud political and still somewhat well-to-do family. In an interview, she would sometimes grumble and clench her fists in remembering episodes of helplessness she has had to suffer during the last five years.

The Supreme Court, with a solid pro-Marcos majority, has halted all proceedings to look into Mr. Aquino's complaint that the military should not be trying him—perhaps the first good news Mr. Aquino has had in some time. In the end, however, Mr. Marcos



FINALISTS—The European Space Agency has just named the four men from whom the first European astronaut will be chosen. They are, from left to right: Claude Nicollier, a Swiss researcher and pilot; Ulf Merbold, a West German researcher; Wubbo Ockels, a Netherlands physicist and Franco Malerba, an engineer from Italy.

Flight Scheduled for 1980

10 Finalists Named in U.S., Europe for Joint Spacelab Mission

From Wire Dispatches

PARIS, Dec. 22—Four Europeans—an Italian, a West German, a Swiss and a Dutchman—were named today as the finalists for a joint U.S.-European space mission in 1980.

Six finalists were also chosen in the United States for the scientific mission aboard the space laboratory, the National Aeronautics and Space Administration announced today in Washington. One of the finalists is Ann Whitaker, 33, of Huntsville, Ala., a physicist at NASA's Marshall Space Flight Center.

There will be seats for two scientists on the seven-person laboratory, one an American and one a European. The other five crew members will be U.S. astronauts.

The Spacelab-1, built by the European Space Agency in cooperation with the United States, is due to be launched into orbit by the U.S. space shuttle in 1980.

It will perform experiments in upper atmosphere and solar physics, space plasma physics, biology, earth observation and development of new metal alloys in weightless conditions.

One of the four Europeans will be accompanied by April. Two will remain on the team as ground

crewmembers and will be eligible for later flights.

The four were named from 3,000 applicants, including about 40 women, after they took a series of tests for psychological aptitude, scientific knowledge and physical stamina.

Originally six Europeans were to be named as finalists but rigorous tests, the same the United States uses for permanent team members, unexpectedly reduced this to four, a European agency spokesman said.

The pay is 13,000 francs (\$2,600) a month.

The four finalists are:

- Franco Malerba, 31, an Italian electronics engineer and physicist and holder of a private

New Booms Felt Along Coastline Of New Jersey

ATLANTIC CITY, N.J., Dec. 22 (AP)—Another series of mysterious atmospheric booms has been felt along the New Jersey coast, authorities say.

Police departments in south Jersey, from Bayville to Tuckerton, including all of Long Beach Island, reported slight tremors and the sound of explosions shortly before 7 p.m. yesterday.

"I felt the tremor or a shake and a loud clap or bang," said State Marine Police patrolman Alston Allen at the Ship Bottom station. "As for knowing what it is, I don't know."

"I felt just a rumble, a boom-boom, like a truck going by but it wasn't," said a policeman in nearby Surf City. "It's funny, some people hear it and some don't."

A similar phenomenon was reported Dec. 2 when coastal residents from Connecticut to South Carolina felt shaking. William Dunn, an acoustical scientist at Columbia University in New York, said that his instruments recorded two sonic explosions that day and five more Dec. 15. The strongest was equal in force to the detonation of 100 tons of dynamite, he said.

Mr. Dunn and other scientists at Columbia theorize that secret experiments by a federal agency may have caused the disturbances, described tentatively as massive, high-altitude explosions.

plutonium license. He is a bachelor.

- Ulf Merbold, 36, a German nuclear research scientist and a glider pilot. He is married and has one child.
- Claude Nicollier, 33, a Swiss astronomer and air force pilot. He is married and has one child.
- Wubbo Ockels, 31, a Dutch physicist and the only non-filer of the four. He is married and has one child.

U.S. Finalists

The U.S. finalists in addition to Mrs. Whitaker are Dr. Chris Fischer, 40, of Indian Wells, Calif., a doctor; Dr. Michael Lampton, 36, of Berkeley, Calif., a space physicist; Byron Lichtenberg, 39, of Natick, Mass., a doctoral candidate at the Massachusetts Institute of Technology; Robert Menzies, 34, Pasadena, Calif., a physicist at NASA's Jet Propulsion Laboratory, and Dr. Richard Terrell, also of Pasadena, a planetary scientist.

NASA's next month plans to name 40 new astronauts for the space shuttle. They will be divided equally among pilots and mission specialists, and sources report that there will be at least three women on the latter list.

Mission specialists will deploy satellites, service orbiting satellites and operate laboratories.

The first flight of the shuttle, which will land on earth like an airplane, is scheduled for March, 1980. The Spacelab-1 will be carried into orbit by another shuttle.

The list of U.S. and European science candidates announced today will be pared to five next spring.

The European finalists will begin intensive training next month at the NASA center in Houston, and train aboard the Spacelab module for three weeks.

Qualifications for applicants were that they be a citizen of one of the member or observer countries of ESA, no older than 47, between 1.53 and 1.90 meters tall, speak and write fluent English, and hold a university diploma in natural sciences or technology, with at least five

Swedish Toll Rises

STOCKHOLM, Dec. 23 (UPI)—A victim of the landslide that devastated the Gothenburg suburb of Tuva on Nov. 30 died today raising the death toll to nine.

years' research experience in at least one of the fields in which spacelab experiments will be carried out. Those fields are material sciences, atmospheric physics, life sciences, earth observation, astronomy, solar physics or space technology.

They will not be trained astronauts and will not walk in space.

Member countries of the European Space Agency are Belgium, Denmark, France, West Germany, Ireland, Italy, the Netherlands, Spain, Sweden, Switzerland and the United Kingdom. Austria, Canada and Norway hold observer status.

Dollar Rebounds as Europe Welcomes Carter Statement

(Continued from Page 1)

believe that congressional approval of an energy bill would give a valuable psychological boost to the dollar. But such measures will not reduce U.S. spending on oil for years to come.

The Carter administration is trying hard to narrow the dis-

parity in growth rates, by urging West Germany and Japan to adopt more expansionary policies, reduce their own substantial surpluses and boost their neighbors' stagnant economies.

But these efforts have met with only limited success so far. The West Germans and the Japanese complain that as their currencies rise against the dollar, their industries find exports less profitable and reduce investments. This results in even lower rates of economic growth.

U.S. "hopeful"

WASHINGTON, Dec. 22 (AP)—The United States is "hopeful" that Mr. Carter's statement on the dollar provided reassurance that the U.S. is not practicing benign or malign neglect a high official said.

The United States has been told by bankers and others today that the President's statement was constructive, the official added. "I think we got across" the notion that "the U.S. will behave responsibly and is watching the situation," the official said.

The communiqué, telephoned to Reuters in Algiers, said that three other Jaguars were hit by the Polisario. It added that the military base, the oil reserves, the station and the power station were destroyed.

The Polisario said that French planes attacked a prisoner-of-war column a week ago and that napalm and phosphorus bombs were used.

Peking Bid to Ceasefire

HONG KONG, Dec. 22 (UPI)—Chinese Communist party Chairman Hua Kuo-feng met with two Romanian government delegations yesterday and invited President Nicolae Ceausescu to visit China, the Chinese news agency reported.

Arabs—is the bottom line for a settlement in the Middle East for this administration," said a State Department official. "We spend more time writing papers now on what the Saudis will do to facilitate an agreement than any other long-term prospect."

Mr. Carter put it this way during a visit to Washington this year by Crown Prince Fahd: "I don't believe there is any other nation with whom we've had better friendship and a deeper sense of cooperation than we've found in Saudi Arabia."

The 64-year-old monarch, King Khalid, weakened by open heart surgery in 1972 and more recent operations on his left leg, has turned much of the policymaking over to his half-brother, Crown Prince Fahd, 54. While they are not close, Prince Fahd and Prince Abdullah Abdel Aziz, the commander of the bedouin units that make up the National Guard, have established a modus vivendi in running both the country and the extended royal family that has sprung up from the network of marriages designed to unify the country's clans.

Prince Fahd has taken active charge of foreign policy. Shortly after assuming office, he started a U.S. visitor accustomed to the subtle, Byzantine-like style of Faisal, by giving a direct and personalized vision of things to come: "I intend to get the Russians out of Somalia. My policy will be to help the moderate forces in Somalia, to lead the Egyptian-Soviet resist Communist subversion."

Prince Fahd's principal tactician is Foreign Minister Saud, Faisal's son. Picking up the style of his father, he has been on the road almost constantly this year, logging as many miles as Mr. Kissinger at his most shuttling pace. While Mr. Saud does not appear to have a

Now a Fact of Daily Life

Political Violence Loses Shock Value in Turkey

By Nicholas Gage

ANKARA, Dec. 22 (NYT)—Political terrorism has become a fact of daily life in Turkey. Every day people are killed or wounded for political reasons.

The phenomenon of terrorism has essentially been one-sided. It has been instigated and provoked by certain extreme rightist elements enjoying governmental protection, and those one-sided provocations have finally resulted in fomenting certain extreme leftist elements into counterterrorism in retaliation.

Mr. Turkes defends his followers against charges that they are responsible for the violence, pointing out that liberals and leftists, including some members of Mr. Ecevit's party, have been caught committing violent acts as well and that the death toll so far includes as many rightists as leftists.

"We are against terrorism and violence," he said in an interview. "The moment we find out anyone in the party is responsible for violence, we expel them. We consider the major danger for Turkey to be Communism, which is an ideology that can be stopped only by another ideology, not by force."

Interior Minister Korkut Osal said that all political parties in Turkey exploit the violence for their own goals, even if they do not instigate it. "Violence exists in West Germany, but the political parties have united in trying to fight it," he said.

Mr. Osal, who belongs to the National Salvation party, a Muslim fundamentalist group, feels a variety of social forces have stimulated the violence.

"Freedom and expectations are expanding faster than the development of the country, creating a lot of frustrations," he said. The frustrations are politicizing students, Mr. Osal feels, and they join extremist groups because "action attracts young people."

On the left, Turkish students have been stabbed to death in the Galatasaray Engineering School. After the incident, students on the school grounds were evicted by riot police. Mr. Osal was suspended until March.

Meanwhile, police found a body of Salih Karademir, a student of Ankara, Police said. Karademir, studying for a master's degree at Middle East Technical University, had his head slashed.

Student Is Slain

ISTANBUL, Dec. 22 (AP)—A student was stabbed to death in a schoolyard in Istanbul today, police here said. A leftist student enrolled at a state-run engineering school died of knife wounds sustained during fighting between rightist and leftist factions on campus.

Five other youths were wounded, two seriously, in the fight at the Galatasaray Engineering School. After the incident, students on the school grounds were evicted by riot police. Mr. Osal was suspended until March.

Meanwhile, police found a body of Salih Karademir, a student of Ankara, Police said. Karademir, studying for a master's degree at Middle East Technical University, had his head slashed.

Motion of Censure

ANKARA, Dec. 22 (AP)—Republican People's party introduced a motion of censure in parliament in an attempt to force out the conservative government of Premier Demirel.

The government has a majority in the 450-seat National Assembly with the recent election of 11 deputies from Demirel's Justice party. The ruling coalition has 218 members in the assembly.

Mr. Demirel yesterday challenged the opposition to a motion of censure.

The defection from Mr. Demirel's party is expected to support the motion, which appears to be in line with the party's declared reasons for resigning from their party.

The motion charged the government with inability to Turkey's serious economic, social and domestic problems.

A motion of censure is a vote of no confidence in the government. The motion needs an absolute majority of 225 votes to topple the government.

Debate and voting on censure motion usually takes an average of 10 days.

Former Head of CIA in Riyadh Now Works for Saudi Spy Chief

WASHINGTON, Dec. 22 (WP)—A U.S. spy has moved across the Arabian desert and is now working for Saudi Arabia's intelligence chief.

"It is an unusual situation, but the CIA does not seem to be bothered by it and I don't think our embassy is either," said a Carter administration official who has watched the movement by Raymond Close, the recently retired CIA station chief in Saudi Arabia, into a job as a paid adviser to Saudi intelligence chief Kamal Adham.

The lack of objection is another indication of the close liaison the Saudi and U.S. intelligence operations maintain, U.S. officials acknowledged. Mr. Close has worked quietly out of a housing compound across the street from a Saudi ministry in Riyadh for the last six years.

It is not clear if he is going to work for Mr. Adham's intelligence apparatus, his expanding business interests, or both.

Brother-in-law to the late King Faisal, the Turkish-born Mr. Adham has headed the Saudi external and foreign intelligence operations for two decades. Now, the Saudi equivalent of the FBI has been turned over to another member of the royal family, while Mr. Adham concentrates on upgrading the espionage network.

But Mr. Adham has also set up private companies to net a share of the lucrative commissions that have been cascading on Saudi agents for deals in arms and civilian capital goods. He has been especially active in business since the death of King Faisal, for whom Mr. Adham evidently acted as a business manager as well.

These goals coincide almost exactly with those of the United States, U.S. policymakers said in remarks that suggest Saudi strategic objectives resemble those of the United States more closely than those of any other country.

The Saudis clearly see an implied quid pro quo with the United States protecting the royal family and keeping the Soviet Union and radical Arab states at bay, while they ensure both the flow of oil to the United States and a more general economic stability.

The only obvious point of conflict is over Israel, which Saudi Arabia has identified as the other great threat to its existence.

Another Arab-Israeli war could produce pressures that would topple the royal family, Arab analysts and Israeli supporters in the United States seem to agree that this message has been noted by President Carter, who has identified energy as the most urgent U.S. problem and who has moved closer to publicly endorsing Saudi concerns about the Palestinian problem and Israel than did any of his predecessors.

"Energy—and that means Saudi Arabia—is the bottom line for a settlement in the Middle East for this administration," said a State Department official. "We spend more time writing papers now on what the Saudis will do to facilitate an agreement than any other long-term prospect."

Mr. Carter put it this way during a visit to Washington this year by Crown Prince Fahd: "I don't believe there is any other nation with whom we've had better friendship and a deeper sense of cooperation than we've found in Saudi Arabia."

The 64-year-old monarch, King Khalid, weakened by open heart surgery in 1972 and more recent operations on his left leg, has turned much of the policymaking over to his half-brother, Crown Prince Fahd, 54. While they are not close, Prince Fahd and Prince Abdullah Abdel Aziz, the commander of the bedouin units that make up the National Guard, have established a modus vivendi in running both the country and the extended royal family that has sprung up from the network of marriages designed to unify the country's clans.

Prince Fahd has taken active charge of foreign policy. Shortly after assuming office, he started a U.S. visitor accustomed to the subtle, Byzantine-like style of Faisal, by giving a direct and personalized vision of things to come: "I intend to get the Russians out of Somalia. My policy will be to help the moderate forces in Somalia, to lead the Egyptian-Soviet resist Communist subversion."

Prince Fahd's principal tactician is Foreign Minister Saud, Faisal's son. Picking up the style of his father, he has been on the road almost constantly this year, logging as many miles as Mr. Kissinger at his most shuttling pace. While Mr. Saud does not appear to have a

dominant role in setting the policy he articulates, he has been given special responsibility in Africa, Kamal Adham, the gray eminence of Saudi policymaking, continues to be prominent in handling Arab affairs.

U.S. support for Israel was a potential flashpoint in the relationship. Just after Mr. Fahd launched his offer of direct talks with Israel, the House, scrambling to catch up with the action, instructed Ambassador John Carl West to Prince Fahd and ask him to get them to the peace table.

Mr. Saud, Prince Fahd, who had quickly laboring to get the House to show restraint, did not escape the presumption of the House, especially coming from the United States. He politely pointedly reminded Ambassador West that Saudi Arabia was waiting for Washington to Israel to reach a settlement of the Arabs.

But the mutual dependence that continues to grow between Riyadh and Washington shadows these policy wrangles. The sources interviewed for this story repeatedly used the word "relationship" to describe the relationship. "Big brother to little brother. The implication was clear in case."

"The Saudis know that the prospect of radicals overthrowing the family and putting them on the life line of oil to U.S. is just unacceptable," Washington, which would not take drastic action," said a senior State Department official. "The American policy toward Arabia is defined by what Arabia can policy toward the U.S. That is the strongest element they could want."

California Killer Pleads Guilty, Gets Life Term

RIVERSIDE, Calif., Dec. 22—Patrick Kearney, 38, who has admitted killing 15 boys and young men and leaving their dismembered bodies in trash bags alongside Southern California highways, pleaded guilty to three of the murders yesterday and was sentenced to life in prison, the Los Angeles Times reported.

Superior Court Judge John Hews handed down the life term, with possibility of parole in seven years, after Kearney waived a probation report and asked to be sentenced immediately.

Kearney, an electronics engineer, pleaded not guilty in July to the three murders committed in Riverside County. But last week, against the advice of his attorney, he decided to change his plea to guilty.

Kearney is suspected of killing as many as 18 other young men. Prosecutor Dan Bacalski said additional murder charges could be filed against Kearney by authorities in three other California counties.

India Leader Vows To Halt Nuclear Tests

NEW DELHI, Dec. 22 (Reuters)—Prime Minister Morarji Desai today pledged that India would not conduct any more atomic explosions for peaceful purposes and would not make nuclear weapons.

He said in Parliament: "I have committed myself already that we are not going to have any explosion at all for any purpose whatsoever. It is not necessary. We are not going to make atomic weapons at all under any conditions."

Saudi Arabia and the United States—Global Power Relationship

(Continued from Page 1)

has pumped \$200 million into the strategically located Horn of Africa to enable the Saudis to purchase arms in the West to replace Soviet weapons. "It is a bargain rate," said a Saudi.

By providing South Vietnam and Taiwan with oil priced at pre-1973 rates, the Saudi government saved those two Asian, anti-Communist governments hundreds of millions of dollars.

(The help to Taiwan was given in part because of King Faisal's regard for the late Generalissimo Chiang Kai-shek. But Faisal's help for the government in Saigon was purely to shore up a regime fighting Communism and in response to pleas originated or endorsed by King-Faisal's Secretary of State Henry Kissinger.

When President Nguyen Van Thieu appealed to Faisal, through Mr. Kissinger and the State Department, for large cash grants as the end of the war neared in March, 1975, the Saudis pledged the request. Recent accounts suggesting that Faisal initiated the idea of cash aid for Saigon are incorrect, sources close to the talks report.)

National oil companies in France, Italy and Spain—countries with active Communist

parties seeking a share of power—have been offered some pricing discounts on limited supplies of Saudi oil. Saudi monetary officials have made special loans and bank deposits to these countries and diverted billions of dollars in lucrative contracts to them, in large part on a political basis. The Saudi money not only bolsters countries they see as threatened by Communism, but also rewards Europe, which has adopted a more pro-Arab policy in the Middle East.

Policy Concerns

Such moves go far beyond the traditional Saudi policy concerns of helping establish a zone of "reasonable" (i.e., moderate to conservative, pro-Western) Arabs near their borders. In selected regions, the Saudis are now playing what U.S. officials call "a facilitating role" in helping other governments withstand leftist pressures for quick change.

But there are common threads connecting the new activism and the traditional concerns. The dominant Saudi policy goals continue to be protection of the royal family and the U.S.-messaged oil fields that have brought it the world's second-largest store of foreign currency reserves, surpassed only by West Germany's.

After defeating its domestic rivals for control of the Arabian Peninsula and giving its name to the country in 1932, the house of Saud became convinced that the virus of Arab radicalism that could destroy its rule would be brought into the region only by non-Muslim, foreign forces. The family has consistently identified Communism and the Soviet Union as the most dangerous carriers of the virus, and its actions are aimed at pushing them away from the borders of Saudi Arabia and its closest allies.

Former Head of CIA in Riyadh Now Works for Saudi Spy Chief

WASHINGTON, Dec. 22 (WP)—A U.S. spy has moved across the Arabian desert and is now working for Saudi Arabia's intelligence chief.

"It is an unusual situation, but the CIA does not seem to be bothered by it and I don't think our embassy is either," said a Carter administration official who has watched the movement by Raymond Close, the recently retired CIA station chief in Saudi Arabia, into a job as a paid adviser to Saudi intelligence chief Kamal Adham.

The lack of objection is another indication of the close liaison the Saudi and U.S. intelligence operations maintain, U.S. officials acknowledged. Mr. Close has worked quietly out of a housing compound across the street from a Saudi ministry in Riyadh for the last six years.

It is not clear if he is going to work for Mr. Adham's intelligence apparatus, his expanding business interests, or both.

Brother-in-law to the late King Faisal, the Turkish-born Mr. Adham has headed the Saudi external and foreign intelligence operations for two decades. Now, the Saudi equivalent of the FBI has been turned over to another member of the royal family, while Mr. Adham concentrates on upgrading the espionage network.

But Mr. Adham has also set up private companies to net a share of the lucrative commissions that have been cascading on Saudi agents for deals in arms and civilian capital goods. He has been especially active in business since the death of King Faisal, for whom Mr. Adham evidently acted as a business manager as well.

These goals coincide almost exactly with those of the United States, U.S. policymakers said in remarks that suggest Saudi strategic objectives resemble those of the United States more closely than those of any other country.

The Saudis clearly see an implied quid pro quo with the United States protecting the royal family and keeping the Soviet Union and radical Arab states at bay, while they ensure both the flow of oil to the United States and a more general economic stability.

The only obvious point of conflict is over Israel, which Saudi Arabia has identified as the other great threat to its existence.

Another Arab-Israeli war could produce pressures that would topple the royal family, Arab analysts and Israeli supporters in the United States seem to agree that this message has been noted by President Carter, who has identified energy as the most urgent U.S. problem and who has moved closer to publicly endorsing Saudi concerns about the Palestinian problem and Israel than did any of his predecessors.

"Energy—and that means Saudi Arabia—is the bottom line for a settlement in the Middle East for this administration," said a State Department official. "We spend more time writing papers now on what the Saudis will do to facilitate an agreement than any other long-term prospect."

Mr. Carter put it this way during a visit to Washington this year by Crown Prince Fahd: "I don't believe there is any other nation with whom we've had better friendship and a deeper sense of cooperation than we've found in Saudi Arabia."

The 64-year-old monarch, King Khalid, weakened by open heart surgery in 1972 and more recent operations on his left leg, has turned much of the policymaking over to his half-brother, Crown Prince Fahd, 54. While they are not close, Prince Fahd and Prince Abdullah Abdel Aziz, the commander of the bedouin units that make up the National Guard, have established a modus vivendi in running both the country and the extended royal family that has sprung up from the network of marriages designed to unify the country's clans.

Prince Fahd has taken active charge of foreign policy. Shortly after assuming office, he started a U.S. visitor accustomed to the subtle, Byzantine-like style of Faisal, by giving a direct and personalized vision of things to come: "I intend to get the Russians out of Somalia. My policy will be to help the moderate forces in Somalia, to lead the Egyptian-Soviet resist Communist subversion."

Prince Fahd's principal tactician is Foreign Minister Saud, Faisal's son. Picking up the style of his father, he has been on the road almost constantly this year, logging as many miles as Mr. Kissinger at his most shuttling pace. While Mr. Saud does not appear to have a

dominant role in setting the policy he articulates, he has been given special responsibility in Africa, Kamal Adham, the gray eminence of Saudi policymaking, continues to be prominent in handling Arab affairs.

U.S. support for Israel was a potential flashpoint in the relationship. Just after Mr. Fahd launched his offer of direct talks with Israel, the House, scrambling to catch up with the action, instructed Ambassador John Carl West to Prince Fahd and ask him to get them to the peace table.

Mr. Saud, Prince Fahd, who had quickly laboring to get the House to show restraint, did not escape the presumption of the House, especially coming from the United States. He politely pointedly reminded Ambassador West that Saudi Arabia was waiting for Washington to Israel to reach a settlement of the Arabs.

But the mutual dependence that continues to grow between Riyadh and Washington shadows these policy wrangles. The sources interviewed for this story repeatedly used the word "relationship" to describe the relationship. "Big brother to little brother. The implication was clear in case."

"The Saudis know that the prospect of radicals overthrowing the family and putting them on the life line of oil to U.S. is just unacceptable," Washington, which would not take drastic action," said a senior State Department official. "The American policy toward Arabia is defined by what Arabia can policy toward the U.S. That is the strongest element they could want."

Holding the Line on Steel

The latest steel price increases were no surprise to close observers of the industry. The first two companies to post increases, Wheeling-Pittsburgh and Bethlehem, are in particularly poor financial shape. Both need a quick revenue boost to calm their creditors, and both understand that their financial frailty makes it more difficult for the administration to be critical of an increase.

Nor is anyone who is familiar with industry pricing surprised by the size of the announced increases. It has become a ritual for the steel producers to aim for more than they expect so as to leave room for retreat before government criticism and lesser increases by competitors. Wheeling-Pittsburgh's initial reach for 7 per cent and subsequent announcements close to 5.5 per cent by other companies suggest that the game is progressing on schedule. Nonetheless, the decision to raise steel prices now makes plain how difficult it will be for the Carter administration to assist the industry in its time of troubles without significantly raising prices to consumers.

The costs of labor and raw materials have gone up sharply for U.S. steelmakers in recent years. Due to the availability of cheaper foreign steel, however, the industry has been unable to pass on all these costs to its customers. With half of the domestic producers operating in the red and 25,000 steelworkers laid off, the pressure to reduce imports has been enormous. The steel companies want quotas, or strict enforcement of existing "anti-dumping" laws, which would keep out most foreign producers. Instead, Mr. Carter has offered them a system of "reference" prices as the minimum that foreigners could charge in the U.S. market.

The virtue of the reference price system is that it would protect U.S. producers without entirely eliminating foreign competition. Foreigners would lose the price edge they now hold, but could quickly regain it if domestic manufacturers raised prices much above the reference level. With reference prices set at the cost of making steel in efficient Japanese furnaces, administration planners estimated that imports would be pared from 20 per cent to about 14 per cent of total sales in the United States, and that domestic profits would increase by about \$900 million a year.

The price announcements illustrate the fragility of these administration projections. The steel industry has endorsed one possible result of the reference price system—a big reduction in imports—but has failed to endorse this particular way of achieving it. For if the industry takes advantage of the protection by raising its prices substantially, U.S. companies would end up unable to increase their share of the market. Profits would increase, but steelworkers would not be rehired. And President Carter might soon face more calls for protection.

The fact that steelmakers moved to increase prices before the foreign reference prices were even announced suggests another depressing pattern. Mr. Carter means to set the reference prices to Japanese costs. The president of U.S. Steel, David Roderick, allowed that this was fine by him—as long as the administration chose a cost of Japanese steel delivered to a U.S. port that was equal to the price set by U.S. producers. By raising prices now, the steel companies put maximum pressure on the President to be generous in constructing the reference price shield. If the President's advisers resist that pressure, they risk industry rejection of the reference price scheme and new pressure for a worse solution. If they accede, the reference prices will be more inflationary.

Reference prices represent an honest effort to provide relief for the steel companies and their workers that would not subject the economy to significant inflationary risks or provoke retaliation from our trade partners. The reference system will not work, however, unless the steel industry acts with discretion on prices.

Such discretion is clearly in the national interest. Without it, we may be unable to break the cycle of unemployment, inflation and protectionism that plagues industrialized economies. In this case, discretion may also be in the narrower interest of the companies. The industry's plight has attracted popular sympathy; people are willing to blame steel's problems on foreigners rather than on union greed or management error. If the industry fails to meet the President halfway, all that could change. We hope the steel companies understand that they can do well by doing good.

THE NEW YORK TIMES.

Snag in the Indian Ocean Talks

The Carter administration's talks with the Soviet Union on the Indian Ocean seem to have struck an embarrassing snag. The President, you will recall, early on sought negotiations to "completely demilitarize" that sprawling region. It was not clear, however, that he had been fully briefed on the military activities the United States conducts there: A \$100-million base is being built on the island of Diego Garcia, carrier task forces and missile-carrying submarines move in from time to time, and arrangements exist with various states to patrol the sea lanes through which U.S.-bound oil passes. By contrast, the Russians sail small surface ships around where they can. Only, it appears, when this discrepancy in usage was recognized at the White House, were our negotiating goals reduced from "complete demilitarization" to "mutual military restraint."

The Russians, however, have tossed in a little monkey wrench. They recently lost their major littoral foothold, in Somalia. Since being thrown out, it is reported, they have decided that it's not enough to stabilize the situation—what's needed is to reduce the big-power military presence and, specifically, to exclude nuclear-powered vessels. Such restrictions would bear considerably more heavily on the United States, which conducts most of the significant military ac-

tivity in the region. So it is that some officials are now said to feel that no agreement is possible unless the Soviet fleet once again achieves a secure foothold in the Indian Ocean. In other words, the negotiation can't move forward until Moscow increases its naval presence—a curious position for a negotiation aimed at limitations to be in.

Well, it's early in the Indian Ocean talks, too early, no doubt, to conclude that this snag can't be overcome. The subject is a new one in big-power dialogues—there is much to learn. Navies may love naval competition, but the two governments would appear to share an interest in minimizing it, in seeing that the existing competition does not provoke excessive political tensions, and in heading off an unnecessary naval arms race.

If naval competition in the Indian Ocean is really all that serious, however, then the United States may have reason to consider what steps it could take on its own. The Diego Garcia base, for instance, was undertaken on grounds that the Russians already had a base in Berbera in Somalia. Now Berbera is wiped out, but work proceeds apace at Diego Garcia. It would be ironic—and indefensible—if negotiations were to become a cover for the further one-sided militarization of the Indian Ocean.

THE WASHINGTON POST.

International Opinion

Peru's Financial Crisis

The last 12 months have been particularly difficult for those who manage the economic fortunes of Peru. The continuing low prices of copper and sugar, two important export items, have considerably reduced the country's earning power, and the bills have started coming in for a number of costly acquisitions, including large quantities of arms purchased by the Peruvian military government from the Soviet Union. The balance of payments situation has got steadily worse, and the ebbing confidence of Peruvians and foreigners alike in the government's ability to manage the economy has been reflected in the rapid depreciation of the sol. At the end of last month the International Monetary Fund agreed to a \$105-million credit to support the austerity plan outlined earlier in November by Gen. Alfores Salas. The finance minister in the government of Gen. Francisco Morales Bermudez... Now it appears that the fund is attaching particularly stringent conditions... and that private banks will be

thinking twice about lending more to Peru. For its part, the United States is reported to have refused a request for an emergency loan to the Morales administration which could be used to meet payments falling due to the Soviet Union on account of the arms purchases... If Peru's request for emergency help were based solely on its need to satisfy its Soviet creditors, then Washington's decision was unexceptionable... The Peruvian case, however, raises other and wider issues. The reluctance with which the IMF and other lenders are coming to the aid of Peru contrasts strangely with the eagerness with which they have lent to other Latin American countries whose overall records are a great deal worse than Peru's... Gen. Morales is taking definite steps to return power to an elected civilian government. Despite this, Peruvians are being faced with financial terms which appear to be considerably harsher than those offered to administrations whose overall records are much less impressive... Gen. Morales deserves better terms.

—From the Financial Times (London).

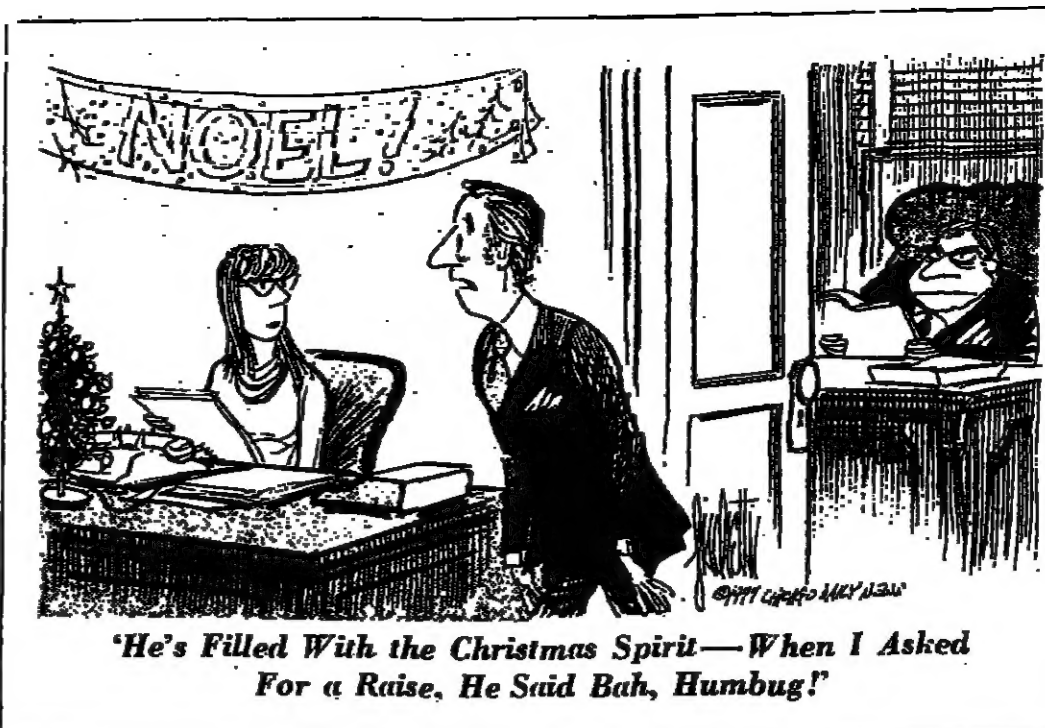
In the International Edition

Seventy-Five Years Ago

December 23, 1902
PARIS—Two young men in Montpellier, St. Louis Chabaud and M. Victor Cabirou, recently invented a new explosive. It seems to have been highly successful, but this world will never know its composition, as the inventors were blown up during their first experiment. They went out to a quarry, bored a mine in the rock and fired the explosive. One was killed on the spot and the other only survived a few hours.

Fifty Years Ago

December 23, 1927
PHILADELPHIA—Pennsylvania opened its 1927-1928 varsity basketball season by defeating St. Joseph's College in the Palestra, 28-24. A crowd of 4,000 saw the game. Penn led at the end of the first half, 15-8, but had a hard time keeping in front in the last half. Other intercollegiate basketball results were—Yale 19-Upsala 13; Boston U. 29-Brown 27; Dartmouth 38-Northeastern 18 and St. Ambrose 30-Monmouth 26.



N.Y. Must Make Transit Choice

By Anthony Lewis

BOSTON—Edward Koch becomes mayor of New York on New Year's Day. Soon after that he will have to take a position on one of the biggest urban planning issues in the country: the proposal to build Westway, a \$1.6-billion expressway along the West Side of Manhattan.

To help Koch decide, Mayor Abraham Beame's office has given him a transition paper on Westway. It is a document of unusual interest, and not only for Koch or New Yorkers. For it gives an insight—albeit an insight—into City Hall attitudes that have helped to make New York a cause for national concern.

The transition paper broadly favors Westway. It disputes the opposition claim that New York could get large additional funds for transit by trading in federal highway money slated for Westway. It takes particular issue with the view, expressed recently in this column among other places, that Boston's experience shows how a city can benefit by trading highway money for transit money.

"The numbers do not indicate that Boston has to this point done well," the Beame paper says. "For example, in 1973 Boston received \$105 million in federal capital grants for mass transit. The trade-in took place in 1974 when highway projects valued at some \$900 million were transferred... The 1976 figure, the latest available, is \$88.9 million, or some \$16-million less than the 1973 number."

Complete Data

Those figures certainly seem to show that Boston got less transit money from Washington after trading in the highways. But selected statistics are not always what they seem. The complete figures, supplied by the Massachusetts Department of Transportation, give a very different picture.

In the following table the column at the left is federal fiscal years. (The year 1976 includes an extra transitional quarter.) The middle column shows transit awards to the Boston area from the regular federal program, in millions of dollars. At right are awards from the special highway trade-in program.

1965	6.1	
1966	15.1	
1967	7.7	
1968	35.1	
1969	51.6	
1970	1.1	
1971	33.6	
1972	35.9	
1973	105.8	
1974	27.3	10.0
1975	60.5	65.7
1976	62.4	145.8
1977	53.5	74.3

The first thing the table shows is that the choice of 1973 as a

base year, for purposes of comparison, is a good example of how to lie with statistics. It was an abnormal year—"an aberration," as one official put it, when Boston got surprising last-minute grants. If you start with the highest figure in a list, anything else will be lower.

There is no inconsistency in federal transit grants to any area. Money given each year depends on what projects are submitted and approved. In fact, Boston's average under the regular program in the three years after the trade-in started (1975-77) was \$58.8 million, or slightly above the average of \$56.4 million in the three years before (1971-73).

A Big Difference

But the fact that leaps out of the table is the big difference that the trade-in has begun to make to Boston. In the last three years it has received federal approval to draw \$385.8 million from the abandoned highway money for major transit construction and equipment. Mayor Beame's people suggest that federal officials may cut back on an area's regular grants if it gets trade-in funds. But the federal law allowing the trade-in says that such money "shall be supplementary to and not in substitution for regular grants. Federal regulations reiterate that point. And the Massachusetts transportation official who does the negotiating with Wash-

ington, general counsel Robert Curry, says that he has seen "no evidence whatever" that one source of federal money goes down as the other goes up.

In short, the impression of the Boston experience that the Beame paper sought to convey was the opposite of the truth. And the distortion was not limited to Boston. Much of the paper was devoted to arguing that New York could build Westway and still get as much extra federal transit money as if it had traded in the project: an argument without basis in law or experience.

Did the Beame people consciously cook the figures? I doubt it. I think they picked up material and used it without checking or minimal analysis, to support a conclusion they had already reached. If I were Edward Koch, I would not believe anything about Westway until it was checked by someone serious. But the point of this affair goes deeper even than Westway.

"The city needs and can have both" Westway and improved mass transit. So an assistant to Beame wrote in sending me the transition paper. There, in a phrase, is the state of mind that has so hurt New York: the belief that choices can be avoided, that something will turn up, that there will be pie in the sky. The result is crumbling highways and degraded subways. It is a policy of drift and dream.

NATO Cruise Missile Issue Won't Go Away

By Don Cook

VIENNA—The Cruise missile question, which is crucial to any new Strategic Arms Limitation Talks agreement between the United States and the Soviet Union, is turning into a major test of the Carter administration's relations with its European allies as well.

The missile and Europe pretty much dominated discussions in Brussels at the recent semiannual meetings of NATO defense officials and foreign ministers. The problem has now been injected into the long-stagnant, five-year-old Vienna "negotiations" on mutual balanced force reductions in Europe—the tactical equivalent on the ground in Europe to SALT.

If either the Cruise missile or the neutron bomb is deployed in Europe, the Soviet delegates warned on the closing day of the current round of the force-reduction talks, it will create "insurmountable obstacles" to agreement.

What this means, of course, is that the Russians are working feverishly to catch up with the Americans on development of both the Cruise missile and the neutron bomb.

In the meantime, they are doing everything they can on the diplomatic front, in both the SALT negotiations and now in force reduction, to tie the United States' hands on any forward deployment of either weapon with the NATO allies in Europe.

The Russians were five to seven years behind the United States in deploying the multiple independently targetable re-entry vehicle warhead (MIRV) on strategic missiles, and it would therefore be a pretty good guess that Soviet Cruise missiles will begin to make their operational appearance by around 1983 to 1985, maybe sooner.

What are the Europeans going to do in the interim? Sit on their hands and do nothing while time is frittered away? Pressure the United States to start sharing its Cruise missile technology with NATO now, which it is clearly reluctant to do? Proceed with the development of a Cruise missile system of its own, regardless of U.S. reluctance and Soviet warnings?

The agreement that the Americans are negotiating with the Russians would limit the deploy-

ment of airborne Cruise missiles to those with a range of 1,500 miles and land-based or sea-based Cruise missiles to a range of 375 miles.

The Cruise missile is a pilotless missile that can fly at treetop height, below radar detection and anti-aircraft counteraction, armed with either a nuclear or conventional warhead. But a land-based or sea-based range of 375 miles is not enough to reach targets in the Soviet Union from launches in or around Western Europe.

Obvious Interest

The European interest in the weapon is clear and obvious. For both Britain and France, it can be the future strategic replacement of their Polaris-type submarines. It is less expensive, far more mobile, and is within the technological and financial capacity of Europe to build. If the Soviet Union sprouts Cruise missiles aimed at Western Europe, then it seems evident that some kind of European capability to reach the Soviet Union will become necessary to maintain the strategic balance.

For the present, although stressing as they did at Brussels that "all options are kept open" and "we listen to our allies and take their views into account," U.S. officials made it pretty clear that the emphasis in Washington is on obtaining a SALT agreement with the Russians first, and worrying about Europe and the Cruise missile later—at least three years later—after expiration of the proposed Cruise protocol in SALT-2. But the problem is not going to go away. It will not wait for three years.

The NATO meetings ended with the customary professions of faith in U.S. leadership and intentions, and the Americans in particular seemed to have left Brussels feeling that all was well. But the European allies go only so far in expressing unease or

distress of Big Brother at NATO meetings. There always is a point where it is better to close ranks and take the back home to mull over in private rather than go on air in public. So it was with the Cruise missile question.

A 'Nonproblem'

Defense Secretary Brown and Secretary of State Vance in effect have said NATO that this is a "nonproblem" because nothing could be developed or deployed in Europe within the three-year life of the protocol—and after three years, ostensibly, all restrictions are off anyway.

But will the limitations be off? One of the lingering worries in Europe is that the Soviet agreement to limit the number of strategic missiles on both sides were agreed on at Vladivostok, that President Carter had been anxious to see reduced. But one of these strategic cuts is supposed to come at the same time that the Cruise missile protocol runs out.

Thus, the administration was to be painting itself into a corner. If the Europeans insist in years on a Cruise missile program that breaks the 375-mile land-based and sea-based limit and no other program will make much sense for Europe, will the United States go and risk the Russians' refusing to reduce the ceiling on strategic missiles?

Britain, West Germany, France all have the basic technical capacity to develop build Cruise missiles. They use some help, particularly the vital low-terrain guidance systems. The British say they would like to make a decision on Cruise missiles in about two years, but it is pretty good bet that the British might make a lot faster.

Chairman
John H. Whitely

Co-Chairmen
Katharine Graham
Arthur Ochs Sulzberger

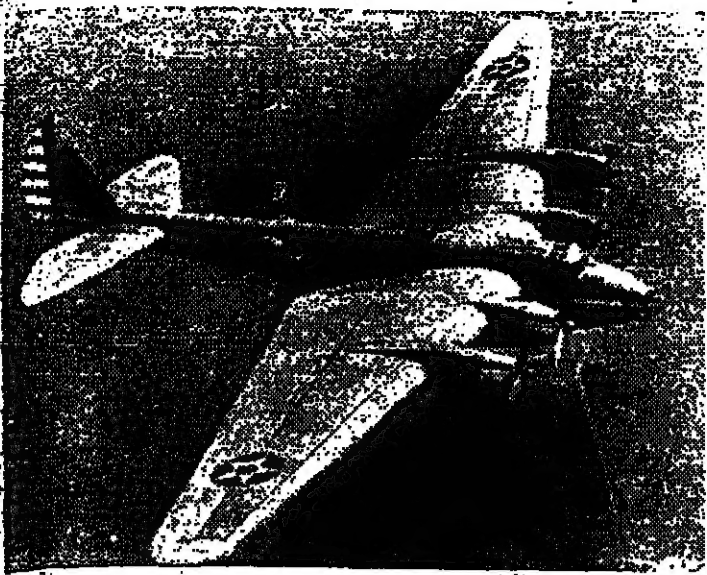
Publisher
Robert R. Eckert

Editor
Murray M. Weiss

Managing Editor
William R. Holden

Harry Bach, Senior Editorial Writer

International Herald Tribune, S.A. au capital de \$300,000
R.O. Paris No 73 B 212, 1 Rue de Berri, 75008 Paris Cedex 08
Tel.: 323-25-00. Telex: 320,550 Herald, Paris. Cables: Herald Paris
Le Directeur de la publication: Walter S. Taylor
© 1977 International Herald Tribune All rights reserved
Commission Paritaire No 34,231



An early version of the B-17 Flying Fortress.

Captured Allied Aircraft

Nazi 'Spook Plane' Operation Revealed in Book, Documents

The author served on U.S. Air Force combat missions in B-17 bombers over Europe during World War II.

By Daniel F. Gilmore

WASHINGTON, Dec. 22 (UPI).—In 1943, the 303d Bomb Group of the U.S. Eighth Air Force was ordered to watch for suspicious B-17s flying over Europe.

The Flying Fortress crews had heard reports of encounters with "friendly" B-17s and strange "Al" fighters, but the crews generally never got the whole story.

It was not until very recently that it became possible to discover that one part of the story was the Luftwaffe's secret "spook plane" operation, begun at a U.S. base at Moleworth, a tiny town with one pub and a cluster of metal huts and makeshift hangars perched in the mud five miles north of London.

As many as 30 heavily laden bombers would lumber out almost every day for 4-10-hour bombing missions over Europe.

One plane, Wulfhound, left Moleworth in the early days of 1942, with 10 men aboard.

It was not until very recently that it became possible to discover that one part of the story was the Luftwaffe's secret "spook plane" operation, begun at a U.S. base at Moleworth, a tiny town with one pub and a cluster of metal huts and makeshift hangars perched in the mud five miles north of London.

As many as 30 heavily laden bombers would lumber out almost every day for 4-10-hour bombing missions over Europe.

One plane, Wulfhound, left Moleworth in the early days of 1942, with 10 men aboard.

It was not until very recently that it became possible to discover that one part of the story was the Luftwaffe's secret "spook plane" operation, begun at a U.S. base at Moleworth, a tiny town with one pub and a cluster of metal huts and makeshift hangars perched in the mud five miles north of London.

As many as 30 heavily laden bombers would lumber out almost every day for 4-10-hour bombing missions over Europe.

One plane, Wulfhound, left Moleworth in the early days of 1942, with 10 men aboard.

It was not until very recently that it became possible to discover that one part of the story was the Luftwaffe's secret "spook plane" operation, begun at a U.S. base at Moleworth, a tiny town with one pub and a cluster of metal huts and makeshift hangars perched in the mud five miles north of London.

As many as 30 heavily laden bombers would lumber out almost every day for 4-10-hour bombing missions over Europe.

One plane, Wulfhound, left Moleworth in the early days of 1942, with 10 men aboard.

It was not until very recently that it became possible to discover that one part of the story was the Luftwaffe's secret "spook plane" operation, begun at a U.S. base at Moleworth, a tiny town with one pub and a cluster of metal huts and makeshift hangars perched in the mud five miles north of London.

As many as 30 heavily laden bombers would lumber out almost every day for 4-10-hour bombing missions over Europe.

One plane, Wulfhound, left Moleworth in the early days of 1942, with 10 men aboard.

It was not until very recently that it became possible to discover that one part of the story was the Luftwaffe's secret "spook plane" operation, begun at a U.S. base at Moleworth, a tiny town with one pub and a cluster of metal huts and makeshift hangars perched in the mud five miles north of London.

As many as 30 heavily laden bombers would lumber out almost every day for 4-10-hour bombing missions over Europe.

One plane, Wulfhound, left Moleworth in the early days of 1942, with 10 men aboard.

It was not until very recently that it became possible to discover that one part of the story was the Luftwaffe's secret "spook plane" operation, begun at a U.S. base at Moleworth, a tiny town with one pub and a cluster of metal huts and makeshift hangars perched in the mud five miles north of London.

As many as 30 heavily laden bombers would lumber out almost every day for 4-10-hour bombing missions over Europe.

One plane, Wulfhound, left Moleworth in the early days of 1942, with 10 men aboard.

It was not until very recently that it became possible to discover that one part of the story was the Luftwaffe's secret "spook plane" operation, begun at a U.S. base at Moleworth, a tiny town with one pub and a cluster of metal huts and makeshift hangars perched in the mud five miles north of London.

As many as 30 heavily laden bombers would lumber out almost every day for 4-10-hour bombing missions over Europe.

One plane, Wulfhound, left Moleworth in the early days of 1942, with 10 men aboard.

It was not until very recently that it became possible to discover that one part of the story was the Luftwaffe's secret "spook plane" operation, begun at a U.S. base at Moleworth, a tiny town with one pub and a cluster of metal huts and makeshift hangars perched in the mud five miles north of London.

As many as 30 heavily laden bombers would lumber out almost every day for 4-10-hour bombing missions over Europe.

THEATER IN PARIS An 1872 Labiche Gets Successful Face-Lift

By Thomas Quinn Curtiss

PARIS, Dec. 22 (UPI).—Eugène Labiche is making a decided comeback at the Odéon.

There his 1872 vaudeville "Dolt-On Le Dire" is the great hit of the season and tickets are hard to come by. Indeed, the demand for them is such that the entertaining revival will be transferred to the Salle Richelieu in January and will enter the repertoire of the Comédie-Française.

Jean-Laurent Cochet's direction has worked wonders. The old play has been freshened up for 1877-78 appreciation by an exceptionally successful face-lift. It is at once picturesque "retro" and youthfully frisky. Omitting an intermission, Cochet serves it in a single exhilarating gulp. We have here no languid sipping of past pleasures, but a vivid, stimulating theatrical experience.

The entire company is in harmony with its stylized comic conception. There is slightly gaudy period decor by Robert Monplou and amusing 1870 costumes by Rosine Delamare. As musical accompaniment, François Rauber has arranged some airs of Offenbach and Lecocq and the late Jean Marais, a clever actor-playwright, prepared some new lyrics.

Amid the assembled players there is no opera or even a hint of voice, but this singing challenge is bravely met with good-natured self-deprecation, and Marais's couplets are witty. The production is not a musical comedy, but a farce with a few songs.

Labiche was a light humorist, but in his comedy there is a dash of ironic truth. The heavy debt with which graduate humans may be subject to which he delighted. In "Le Voyage de M. Perrichon," known to every second-year French student, the protagonist finds it impossible not to resent the obligation he owes a fellow mountain climber who saved his life.

There is a charming innocence to Labiche. He is the dramatist closest to Molière in his bemused observation of human foibles and in his clear portraiture of types. After him French farce coasted. Feydeau, Veber, Hennequin and the other comic playwrights of the next generation are not less funny but by comparison they are vulgar, cynical and gross.

Labiche's refinement and sweet temper were such that several of his plays in translation—no laughing of them was necessary—became standard fare in Victorian England and one of them—known in adaptation as "A Pair of Spectacles" with John Harb—was a favorite of the queen and the court.



Caricature of dramatist Eugène Labiche.

At the Odéon, Cochet has orchestrated the performances for overall effect in a singularly satisfying spectacle. Jacques Sereys is an extraordinary farceur and he has never been better. His exaggerated decorum, his delivery that makes each of his lines a laugh, his sly subterfuges, his gestures and his gall bring joyous howls from the house. His account of his dodging the bullets of the trigger-happy marquis and his subsequent collapse into the arms of his sweetstruck listener

bring the general hilarity to a magnificent climax.

The others similarly fit neatly into their roles and into the general picture with Claude Giraud as the budding dandy, Jacques Eyser as the rampaging, uniformed aristocrat (his trick cough is a happy running gag), Françoise Seigner as the former Mme Musserolle, Paule Noëlle as the romantic young wife and Guy Michel as her letter-writing lover. It is not surprising that "Dolt-On Le Dire" is the most popular play in Paris.

ART IN ROME: With the Curiosity of a Navigator

Joseph Cornell, Boxes and Films, L'Attilio, 61 Via del Paradiso, Rome, until Dec. 31.

Born on Christmas Eve in 1893 and schooled at Andover, Joseph Cornell worked, selling wools just before the Depression when he lost his job. Born too late and with too little means for the Grand Tour or to become a Jamnian traveler, he was humbled by the curiosity of his navigator successors for new countries and artifacts.

"I was walking along Bleeker Street (in New York) one day and saw a dark antique shop on the south side. There in the window was a whole pile of compasses. I thought, 'Everything can be used in a lifetime, can't it?' and went on walking. I'd scarcely gone two blocks when I came on another shop window full of boxes, all different kinds. Halfway home on the subway that night I thought again of the boxes and the compasses. It occurred to me to put the two together."

This, he explained, is how it all began. Was it really so simple, so superbly practical? He was a Yankee saver and collector. He could not throw anything away: cork balls, charts, labels of L'Éclat de l'Univers, chicken wire, butterfly stamps from Madagascar, the pictures of royal children, colored sands, broken wine glasses, spoils,

diminutive bracelets, dowels, dice and decoys. He composed slowly, with serene rigor, sometimes for years, until the right object found in a forgotten drawer or on the sidewalk gave the last push.

One day he wandered into the Julien Levy gallery in New York and left a package of his collages on the desk without a word. That was in 1931. The same year he was included in a show of the masters of surrealism.

In 1932, he had his first one-man show and his meticulously handcrafted boxes were at once coveted by a small group of collectors. Cornell was shrewd, and he commanded high prices from the start. But he sold only to people he thought ought to have them. He once complained of a dealer "who just lets them go."

Like the dadaists before him, he used the useless and orphan objects of culture. Recycling, putting disparate elements of past manufacture together to make strange bedfellows, even adopting quaint symbols and paring them down to their original meaning, these were his methods. Cornell became the true master of this separate art form called box making, or assemblage, which provides a bridge between literature and the visual.

He came from surrealism and his style changed little over the years, except for a different selection of objects. But he was also related to the abstract expressionist movement of the forties—not only because his formerly austere background whites began to be splashed with peaty strings of midnight blue but in his acceptance, his preference for the New York experience. This comes across most in the film fragments he made, where the hidden treasures and details, the ordinary children, squares, buildings and subway lines of the city are brought to our attention lovingly.

The boxes are being shown for the first time in Rome. The films, being shown for the first time in Europe, are interesting in that they provide useful glimpses—most of all in "Rose Hobart" and "Avalary"—into Cornell's preoccupations and working themes. The way private letters can shed light on the character and motivations of a great writer.

The boxes are from the late forties and early fifties. In one, a pale bird, slightly mirroring itself, keeps watch over past and future. Owls, parrots, a quivering spring or compass, mariners' charts, a dove, a clay pipe conjure up old dreams of voyage and discovery.

It is the right show in Cornell's favorite season, just before Christmas.

The boxes are private shrines, traps for time. And they are about what cannot be touched, immo-

cence, wonder. Tightly sealed under glass, the objects entice, but are forever unobtainable. Sparse, simple, but mysterious, they are like gifts in fairytales. Children understand this first. One of Cornell's last shows at Cooper Union was for children only, grown-ups were allowed only if accompanied by a child.

In an upstairs room in his house in Queens, Cornell juggled time, imagined ballerinas dancing on the snow under Russian skies, the play of constellations, travelers' yearnings—in a Hôtel de l'Univers all his own. On the backs of the finished boxes he wrote that they might be opened to be repaired only by himself. Since 1972, when he died, they are closed forever. All his belongings and longings are in there.

—EDITH SCHLOSS.

SHARPS AND FLATS

LAS PALMAS, Canary Islands —The Delta Rhythm Boys open at the Restaurant Alhambra (Dec. 23) for a five-week engagement (through Jan. 28).

LONDON—George Melly, John Chilton's Feetwarmers and the Ronnie Scott quintet are appearing tonight at Ronnie Scott's.

PARIS—Hal Singer is doubling on Dec. 24 at the Stadium at 11 p.m. and then at the Cava de la Huchette. Steve Lacy and Steve Potts are playing on a boat called La Peniche on the Canal St. Martin, near the Gare de l'Est, every night at 10 p.m. The Golden Gate Quartet will be featured at L'Orée du Bois from Dec. 27-31.

The Family of Love's latest album "The Bible" in two versions, English and French, featuring Paris-based American singer Jeanne Manson, and Dennis Rousseau, is doing well and is high on the French charts. One of Miss Manson's songs from the album, "Un Enfant Est Né" (A Child Is Born) is doing better and is even higher.

RCA has just released two jazz oddities: Chet Baker's "Chet Is Back" and "Together Again" with the Four Brothers: Al Cohn, Zoot Sims, Herbie Stewart and Serge Chaloff.

Israeli singer Robert Bahr, currently featured at the Folies Bergère, has an album of Jewish folk songs available on the Capriccio label.

The third all-time biggest selling Christmas song is "White Christmas," "Rudolph, the Red-

Nosed Reindeer" and "Santa Claus Is Coming to Town," according to the latest figures from the American Society of Composers, Authors and Publishers. The first two have sold over 115 million records each and more than six million copies each of about music in dozens of languages. The third has 44 million sales to its credit.

ASCAP further reports that at last count, there were approximately 1,800 published songs with "Santa" in the title.

This week's top single record in the United States is "How Deep Is Your Love" by Bee Gees, and in Britain, "Mull of Kintyre," by Paul McCartney's Wings. Bing Crosby's "White Christmas" is No. 7.

—FRANK VAN BRAKLE.

Western Boom in Icons Cuts Russia's Stock

By David Minthorn
COLOGNE (AP).—Antique Russian icons are the newest art boom in Western Europe, and the Soviet Union, officially atheist, is profiting handsomely from the paintings of the Orthodox Church.

The sales of the icons appear to be depleting rapidly the supply of top-quality examples in Russia, where monks have been painting the Holy Family, saints and angels with loving care since the 8th century.

"Good ones are extremely scarce," said Ernst Furger of the Heinrich Heine mail-order house in Karlsruhe. "The westward flow of quality icons could dry up within one or two years."

Soviet officials try to control exports to prevent too much of Russia's art heritage leaving the country. But thousands of the objects, apparently thriving every year through a thriving black market.

Selected dealers pay the Soviet government hard cash for the wood-panel holy pictures, often covered with gold leaf and jewels.

Observers in Moscow say families and individuals also sell to diplomats and tourists, who in no doubt about the authenticity of icons they sell," she said.

The Russians will not say how much they earn from sales of icons, but Western estimates of profits run into the millions of dollars.

Wolfgang Maier-Frenker, an art dealer in Bonn, said the icon boom has led some dealers to inflate prices. "Icons I offer for about \$2,000 are priced at about \$5,000 by another dealer," he said.

Family Collections
There are other sources of icons in the West. Some come from family collections brought by Russians who fled the Revolution 60 years ago.

Helm Skrobuch, curator of the Icon Museum in Recklinghausen, said most of the best Russian icons in the West were sold by the Soviet government between 1925 and 1933 to raise money.

"There is no longer any legal way to take out icons older than the 18th century," said Skrobuch, who presides over a collection of 400 icons dating to the 14th century.

The remaining treasures—many of the best icons in the world—have been put into museums in Moscow, Kiev and Leningrad as well as in restored churches around the Soviet Union.

Amateur Strippers Enliven After-Hours TV in Italy

By Jack R. Payton

ROME, Dec. 23 (UPI).—A bored television viewer in Turin switches channels and the screen lights up with his attractive neighbor stripping off her last black stocking and dancing across a stage naked.

In Rome, a viewer who can't sleep tunes in his television to watch 22-year-old Annamaria Clementi, naked and writhing suggestively on an Oriental rug while an off-camera male voice reads titillating passages from a sexy novel.

Another Roman viewer tunes in and sees a young couple assuming all manner of sexual positions on a bed while the announcer explains that it's all about yoga exercises. The man at home knows better.

It happens almost every night throughout Italy in homes of television owners who have spent about \$40 to put up the special antenna needed to tune in the estimated 180 private television stations that have begun operating in the country over the last several years.

Sales of the special antennas are booming and the private stations report ever-increasing audiences for their nude fare.

Displeased Groups

But not everybody is pleased by the new TV porn. Especially irked are Roman Catholic Church groups, feminist organizations and even professional st-riptease dancers.

The state-run RAI television network also is displeased by the popularity of the more daring private stations and is gingerly broadcasting some nudity of its own in an effort to win back wayward viewers.

Most popular of the new shows on the private stations is "Let's Strip Together," broadcast by Turin's Teletorino from a modest suburban studio headed by a slim and attractive woman, Giuliana Gardini.

The program, broadcast after midnight, shows housewives, secretaries and college coeds taking it all off in front of the camera for the rather symbolic sum of 60,000 lire (\$68) plus transportation and a meal.

Housewives Graziella Bongiovanni, 21, and Rita Lanzani, 24, caused quite a stir with their recent appearance on the show and Teletorino officials say they now have a long list of wives waiting, with the encouragement of their husbands, to get on television and do their stuff.

Viewers' Ideas

"The idea for amateur strip shows came from the viewers, most of them husbands who said their wives were better than the professionals," says Teletorino's Gardini. "We didn't imagine there would be so many women wanting to show themselves and

so many men wanting to have their wives and fiancées exhibiting themselves on television."

Another favorite program is Turin's "Strip-Quiz" that features a lavishly dressed model who takes off an article of clothing every time a viewer calls in with the correct answer to questions such as when Julius Caesar conquered Gaul.

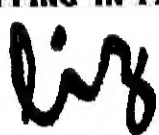
To protect what was once its broadcast monopoly, RAI-TV is spicing up its own programming with periodic nudity on such variety shows as "Odeon" and "Video Sera." It has also begun broadcasting higher-quality and sexier films.

Though the Vatican, whose pronouncements still carry great weight in Roman Catholic Italy, has not yet specifically condemned the new television fare, the monks of a monastery near Florence issued a statement saying that a nearby porn station was "sending Satan directly into the homes."

Feminist groups in Turin and Milan have branded the nude shows as "disgusting and degrading," and a professional striptease dancer in Turin complained that the programs were keeping men out of the nightclubs and hurting her business.

The Italian Parliament has not got around to discussing the new television shows. Until it does, Italian television viewers will have an unmatched selection of late-night programs.

THE MOST RENOWNED AND LARGEST TAX FREE SHOPPING IN PARIS



194 Rue de Rivoli, Paris-Ier
Creator of the perfume and toilet water

LIZ DE LIZ

which has been a sensational worldwide success, have opened a new exclusive shop near Arc de Triomphe at

43 Avenue Kléber, Paris-16e where in 400 square meters you will find an immense choice of perfumes—all brands including the latest, and a large selection of novelties, gifts, lighters, costume jewelry and ready-to-wear.

And the same thing in their "Boutiques Prestige" in the biggest and best hotels of Paris like:

MERIDIEN HOTEL, GRAND HOTEL, PALM ST. JACQUES HOTEL, SOFITEL, SUFFREN LA TOUR. DUTY FREE PRICES

J.S. Executive Joseph Friedman Dead in St. Louis

ST. LOUIS, Dec. 22 (AP).—Joseph Friedman, 71, who helped transform a profitless company to a \$1-billion conglomerate, died Tuesday, it was learned.

Mr. Friedman was chairman of a board and chief executive officer of Chromalloy American Co., which had its headquarters in a St. Louis suburb. Mr. Friedman also founded the object for a Prosperous America, public-interest group which sought to improve the U.S. economy.

Bishop Timotheos

CHICAGO, Dec. 22 (UPI).—Bishop Timotheos, 60, spiritual leader of the Greek Orthodox diocese in the Midwest, died Sunday. As bishop of Chicago and the Midwest, his archdiocese included Illinois, Wisconsin, Iowa, Kansas, Indiana and Missouri.

Pope Calls Talks in Middle East Brave, Audacious

VATICAN CITY, Dec. 22 (AP).—Pope Paul today hailed peace talks between Egypt and Israel as "courageous to the point of appearing audacious" and called for "all those responsible to work together for a just and lasting peace in the Middle East."

We are following the development of the situation with very close attention and interest," Pope said in a speech to 33 officials who met to hear annual state-of-the-church address.

We now repeat our wish that a difficult long-standing question may be speedily directed toward an equitable settlement that all the people of an area so rich in the history of religion and civilization and so richly tried may at long last enjoy a just and lasting peace," he said.

The Pope also said that he believed human rights a crucial issue for peace and he added that he would deal with this subject at length in the near future.

Rome Woman Sees Abduction And Foils It

ROME, Dec. 22 (Reuters).—A housewife yesterday prevented three armed bandits from kidnapping the son of a banking magnate, police reported.

From her window, she saw the three, armed with sub-machine guns and a revolver, trying to drag Angelo Apolloni, 31, into a car.

She rushed into the street, grabbed his feet and hung on until the bandits suddenly gave up and fled.

Police declined to name the housewife to protect her from possible retaliation.

NYSE Nationwide Trading (3 O'clock) Dec. 22

- 1977 - Stock					- 1977 - Stock					- 1977 - Stock				
High.	Low.	Div.	Yld. P/E	100s.	High.	Low.	Div.	Yld. P/E	100s.	High.	Low.	Div.	Yld. P/E	100s.
3146	3146	ACF	2.5	9	31	3416	3336			10	816	ChesP	2.20	67
3146	3146	AMC	1.54	7.4	111	17	184	164	16	3416	3336	ChesM	2.20	67
3146	3146	ARA	1.26	4.7	111	17	184	164	16	3416	3336	ChesN	2.20	67
3146	3146	ATD	1.26	4.7	111	17	184	164	16	3416	3336	ChesO	2.20	67
3146	3146	ATL	1.26	4.7	111	17	184	164	16	3416	3336	ChesP	2.20	67
3146	3146	ATM	1.26	4.7	111	17	184	164	16	3416	3336	ChesQ	2.20	67
3146	3146	ATN	1.26	4.7	111	17	184	164	16	3416	3336	ChesR	2.20	67
3146	3146	ATP	1.26	4.7	111	17	184	164	16	3416	3336	ChesS	2.20	67
3146	3146	ATQ	1.26	4.7	111	17	184	164	16	3416	3336	ChesT	2.20	67
3146	3146	ATR	1.26	4.7	111	17	184	164	16	3416	3336	ChesU	2.20	67
3146	3146	ATS	1.26	4.7	111	17	184	164	16	3416	3336	ChesV	2.20	67
3146	3146	ATT	1.26	4.7	111	17	184	164	16	3416	3336	ChesW	2.20	67
3146	3146	ATU	1.26	4.7	111	17	184	164	16	3416	3336	ChesX	2.20	67
3146	3146	ATV	1.26	4.7	111	17	184	164	16	3416	3336	ChesY	2.20	67
3146	3146	ATW	1.26	4.7	111	17	184	164	16	3416	3336	ChesZ	2.20	67
3146	3146	ATX	1.26	4.7	111	17	184	164	16	3416	3336	ChesAA	2.20	67
3146	3146	ATY	1.26	4.7	111	17	184	164	16	3416	3336	ChesAB	2.20	67
3146	3146	ATZ	1.26	4.7	111	17	184	164	16	3416	3336	ChesAC	2.20	67
3146	3146	ATA	1.26	4.7	111	17	184	164	16	3416	3336	ChesAD	2.20	67
3146	3146	ATB	1.26	4.7	111	17	184	164	16	3416	3336	ChesAE	2.20	67
3146	3146	ATC	1.26	4.7	111	17	184	164	16	3416	3336	ChesAF	2.20	67
3146	3146	ATD	1.26	4.7	111	17	184	164	16	3416	3336	ChesAG	2.20	67
3146	3146	ATE	1.26	4.7	111	17	184	164	16	3416	3336	ChesAH	2.20	67
3146	3146	ATF	1.26	4.7	111	17	184	164	16	3416	3336	ChesAI	2.20	67
3146	3146	ATG	1.26	4.7	111	17	184	164	16	3416	3336	ChesAJ	2.20	67
3146	3146	ATH	1.26	4.7	111	17	184	164	16	3416	3336	ChesAK	2.20	67
3146	3146	ATI	1.26	4.7	111	17	184	164	16	3416	3336	ChesAL	2.20	67
3146	3146	ATJ	1.26	4.7	111	17	184	164	16	3416	3336	ChesAM	2.20	67
3146	3146	ATK	1.26	4.7	111	17	184	164	16	3416	3336	ChesAN	2.20	67
3146	3146	ATL	1.26	4.7	111	17	184	164	16	3				

[illegible]

Flash... Paris Bourse

COMPANY	INDUS.	1977 HIGH-LOW	CLOS. PRICE DEC. 31	HIGH-LOW TUES.-WED.	P/E	YIELD (%)	EARN. PER SHR.— '74, '75, '76	SHRS. OUTST. ('80)	LATEST COMPANY NEWS
AQUITAINE	Petrol.	389.20 - 237	341	325.16 - 323	6	4.7	87.14 83.00 55.63c	14,774	1st semester '77 net non-consolidated profit = 640 MF
BOUYGUES	Construct.	477 275	392	395.10 - 386	12	5.4	50.73 23.92 30.54c	609	1st 9 months '77 group turnover = 2,851 MF vs. 1,656 MF (+73.9%)
BSEN GERVAIS DANONE	Glass/food	532 369	383	382 - 381	19	6.4	28.28 -34.39 29.13c	2,322	Group turnover (Jan.-Sept. '80) = 7418 MF vs. 6,842 MF (+11%).
CHARGEURS REUNIS ...	Shipping Air trans.	177 129	146	145.10 - 144.20	10	8.9	16.94 - 16.41 13.34	1,866	Subsidiary CIC Maritime sales 9 months '77 = 676 MF (+31% v. 9 mos. '76).
CHIMIQUE ROUTIERE ...	Public works	115 81.50	85.10	84 - 83.50	2	6.7	11.18 18.02 24.60c	1,672	1st 9 mos. '77 consol. turnover = 4,335 MF (up 17% vs. same period '76).
CREDIT COMM. FRANÇ.	Bank	105 - 64	95.96	96 - 95.96	6	7.7	16.36 15.85 14.68c	5,739	New CCF branch opening in Beirut at Seigne Center
CREDIT INDUST COMM.	Bank	105 - 72.38	77	81 - 79.50	8	8.4	6.77 10.84 9.24	4,828	From Oct. '76 to Oct. '77, CIC customer deposits increased by 14.6%.
CREUSOT-LOIRE	Heavy ind	98 59.50	53.90	54.10 - 53	—	14.2	28.13 9.52 -3.55c	3,684	1st 9 mos. '77 turnover (ex-tax) = 4,049 MF (+52% vs. same period '76).
EUROFRANCE	Holding	190 124	153	154 - 154	3	7.2	— 36.58 —	2,193	Sept. '76-Sept. '77 net profit = 44.96 MF vs. 27.35 MF (+65%).
FERROD S.A.F.	Autom. Equip.	412 - 296	270	371.50 - 370	5	5.1	23.02 29.27 73.81c	1,545	'77 group consol. results (with Paris-Brest) will exceed '76.
GEN. OCCIDENTALE	Holding	192.50 165	180	189 - 189	5	3.1	— 26.94 - 30.81c	2,806	'76-'77 group consolidated turnover = 14,676 MF vs. 14,465 MF for '75/'76.
IMETAL	Mining	94.10 - 60.85	54	54 - 53.58	2	6.5	17.97 2.44 21.81c	1,944	Paragroup 1st sem. '77 turnover = 799 MF (vs. 572 MF, 1st sem. '76)
MOET-HENNESSY	Beverage	451.50 368	351	343 - 340	77	3.4	17.84 5.71 12.71c	3,158	Consol. turnover first 9 mos. '77 = 1,826 MF vs. 866 MF in '76 (+10%).
NORD (Compagnie de)...	Holding	22.18 - 16.30	1605	16 - 15.50	9	9.3	6.18 0.29 1.72	13,284	'77 net profit at least as high as that of 1976 (23 MF).
PECHELBRONN	Hotels (tn.)	76.10 - 63	63.28	66 - 64	9	9.2	6.52 18.76 6.74	2,255	1976 net dividend proposal = Fr. 6 (same as 1975).
PECHINEY-UG-KUHLM.	Chem.-min	91 62.18	73.55	75 - 74	12	6.8	29.59 -6.30 6.00c	15,491	Group '77 turnover comes to 36 billion Fr. (up 16%).
P&A PEUGEOT-CITROEN	Holding	323.50 - 201	295	267 - 265	3	3.4	38.24 54.71 137.94c	9,444	New 12-year (580 MF) bond issue for Peugeot Cars at 11.00%.
RAFFINAGE (Cie. Fr.) ..	Petrol.	89.50 55.50	62	66.70 - 63.58	—	9.7	— — —	5,430	For 1st semester '77 amount of crude refined up 11.1% vs. 1976.
REDOUTE	Mail order	628 - 394	521	513 - 504	10	3.5	35.87 45.57 47.86c	926	March-Aug. '77 consolidated turnover = 3,441 MF (+14.1% vs. same period '76).
RHONE-POULENC	Chemicals	83.70 - 51.50	57.50	51.70 - 50	6	11.7	14.02 5.83 6.34	16,941	1st semester group turnover = 12,264 MF (up 14%).
ROBECO	Investm. Comp.	384 - 337.40	356.70	356.70 - 356.70	—	7.8	(not relevant)	27,572	Robeco interim dividend up from Fr. 4 to Fr. 5.
SKIS ROSSIGNOL	Ski market	1918 1225	1716	1740 - 1720	19	1.5	71.76 - 75.76 87.42	266	44,220 new shares for shareholders (1 for 6) valid as of April 1st, 1977.

[illegible]

381-15

هذا من الفصل

BUSINESS

INTERNATIONAL
Herald Tribune

FINANCE

Published with The New York Times and The Washington Post

PARIS, FRIDAY, DECEMBER 23, 1977

Page 7

Tokyo Budget to Lift Spending 20%

By Andrew H. Malcolm

TOKYO, Dec. 22 (NYT).—The Japanese government is expected to announce a 20% increase in its fiscal year 1978 budget, which is to be formally presented to the Diet in January. The increase is expected to be in the range of 20% to 25% over the current fiscal year, which began last April.

But the general details of the budget, which is to be formally presented to the Diet in January, are expected to be decided during the coming week. The government is expected to announce a 20% increase in its fiscal year 1978 budget, which is to be formally presented to the Diet in January.

But in the week since the Japanese government's decision to increase its fiscal year 1978 budget, the Japanese government has been struggling with a "difficult" 7-per-cent growth will be to achieve. In Japanese the word "difficult" (mushiro) means "nearly impossible."

As a new conference today, Mr. Sawano, a top official of the Economic Planning Agency, carried out an interpretation of the government's decision to increase its fiscal year 1978 budget, which is to be formally presented to the Diet in January.

Among Japan's trading partners, the percentage figure has become an important indicator of Japan's determination to stimulate domestic growth and assume greater international economic responsibility by buying more from abroad to aid the industries of other lands.

Through November, Japan's trade surplus totalled \$14.6 billion, its current-account surplus, which includes other items besides merchandise trade such as income and freight, totalled \$4.4 billion.

Originally, the government of Prime Minister Takeo Fukuda outlined a 1977 deficit of \$70 billion and a fiscal growth rate of 8.5 per cent. The 72-year-old Mr. Fukuda himself admits now a current growth will be more in 8.5 per cent. These have been, however, very ambitious goals.

But the government's decision to increase its fiscal year 1978 budget, which is to be formally presented to the Diet in January, is expected to be decided during the coming week. The government is expected to announce a 20% increase in its fiscal year 1978 budget, which is to be formally presented to the Diet in January.

Unemployment remains a problem in Japan. The unemployment rate for the year in this affluent island nation was more than 2.5 million with millions more underemployed or furloughed on a part-time basis. Manufacturing production has been around 70 per cent of capacity while consumer spending, which comprises more than half Japan's gross national product, remains virtually stagnant.

The OECD said Comecon borrowing requirements are expected to remain stable in 1978 despite a likely narrowing of the countries' overall hard-currency trade deficit.

Local businessmen now fear the rising value of the yen, which stood at 241.25 to the dollar today, will make exports more expensive and slash orders to overseas.

To counter these problems, the 78th draft budget contains a 10% increase for everyone, except the fiscal conservatives in the Finance Ministry who traditionally oppose borrowing more than 30 per cent of the necessary funds. The final budget would be around 23 or 24 per cent compared to 20 per cent this year. An attached cabinet statement said.

British Gas Plans To Prepay Two DM-Bond Issues

FRANKFURT, Dec. 22 (Reuters).—The British Gas Council is preparing bond issues worth 300 million deutsche marks raised in 1980, in line with the British government's apparent policy of gradually reducing public-sector loans denominated in strong European currencies, bond market sources said today.

Both bonds, a 200-million-DM public issue and a 100-million-DM private placement, have been in the process of amortization since 1975, and around 60 million DM of each issue have already been retired.

The 15-year public issue carrying a coupon of 6 3/4 per cent will be repaid next April, at a price of 102 1/2 per cent, while the 10-year private placement will be repaid at 101 per cent.

But Doubts Grow On 7% GNP Aim

ment promises, among other things, employment, improved wages, better public facilities, stable prices, more foreign aid, increased assistance for troubled industries, and improved access for foreign imports. Japan has been criticized for its non-tariff barriers to foreign products.

Budget, Trade Projections

The budget envisions a fiscal 1978 gross national product of \$10.5 trillion yen (\$878 billion), an estimated current-account surplus of \$6 billion and a trade surplus of \$12.5 billion on exports of \$85 billion (up 7 per cent) and imports of \$72.5 billion (up 13 per cent).

The anticipated trade surplus for the current fiscal year ending next March 31, is \$18.5 billion.

Oil Prices Seen Stabilizing Over Coming 4 to 5 Years

PARIS, Dec. 22 (NYT).—Following the oil exporting countries' decision to freeze prices for an indefinite period, Western energy experts now believe the world oil price may not increase much more in the next four or five years.

The reason is that these experts foresee a continuing over-supply of oil until about 1981 or 1982, as a result of slow rates of economic growth throughout the world. After that date, however, they still predict the world will rapidly start running short of oil.

But at the same time, the experts are also concerned that the United States and other countries with massive coal deposits may refuse to export these to other nations as oil supplies run low. And they fear that the international oil companies are deliberately not looking for new oil supplies in unstable areas of the world, like the Middle East, where prospects of finding them still seem best.

The likelihood of the world oil price staying relatively close to present levels until the early 1980s was expressed here today by U.N. Lantaka, the head of the U.N. International Energy Agency, the body in which the Western industrial nations coordinate their energy policies.

Mr. Lantaka predicted that the present "oil glut" in the world will probably last until about 1981 or 1982, with the oil exporting countries technically able to produce about 2 to 3 million barrels of oil a day more than the rest of the world wants to buy.

Such a glut, he said, would reflect slower than usual rates of economic growth throughout the industrial world, together with the arrival of new supplies from recent finds in Alaska, Mexico and the North Sea.

As a result of this excess of potential supply over demand, Mr. Lantaka predicted that it will be "difficult" for the Organization of Petroleum Exporting Countries to increase the price of oil significantly in the next four or five years.

While roughly flat oil prices will help the world recover from its present recession, they pose a headache for energy planners, who fear the temporary "glut" will distract governments and legislators from the need to conserve energy use and develop new sources of supply.

The IEA is still sticking to its predictions that by the mid-1980s the world will face a physical shortage of oil and sharply higher prices, unless rapid steps are taken to curb use and find new supplies.

At the next meeting of IEA ministers here Jan. 19, Mr. Lantaka said today that he will propose action to stimulate international trade in coal during the 1980s and also launch a critical study into whether big oil companies are really looking for new oil in the right places.

U.K. Car Imports Seen Taking 50% Of Market in '78

LONDON, Dec. 22 (AP-DJ).—Imports will increase their share of the U.K. car market from about 50 per cent next year from approximately 45 per cent in 1977, according to the annual motor industry review of the Economist Intelligence Unit.

The review also forecast a rise in car sales next year to 1.4 million units from just over 1.3 million this year and that Ford Motor will again be the top U.K. seller.

Japanese models are expected to increase their market share to 13 to 15 per cent, which is "just about politically acceptable," from 10.8 per cent at present.

The review said British Ford would account for about 29 per cent of all sales next year, compared with 25 per cent this year. British Leyland, which had been the market leader until this year, should see its share of sales fall to 22 per cent in 1978 from 24 per cent this year.

Bonn Surplus In Trade Off In Last Month

First 11-Months' Gain Is 9.5% Ahead of '76

WIESBADEN, Dec. 22 (Reuters).—West Germany's trade surplus fell to 3.06 billion deutsche marks in November from 4.81 billion DM in October but was above the 2.97 billion DM in November 1976, the Federal Statistics Office said today.

The current account—merchandise trade plus so-called "invisible" trade—was provisionally estimated at a 1.4-billion-DM surplus after an upward revised 2.4-billion-DM surplus in October and a 1.6-billion-DM surplus in November 1976.

The trade surplus is the fifth largest this year (October was the highest monthly surplus since December 1974).

The statistics office said exports last month fell to 22.48 billion DM from October's 24.74 billion DM. Imports rose to 20.4 billion DM from October's 19.93 billion DM.

The November figures take the nation's trade surplus for the first 11 months to 34.2 billion DM, up from 31.3 billion in the year-ago period.

Exports in January-November rose to 248.1 billion DM from 231.9 billion DM while imports advanced to 213.9 billion DM from 200.6 billion DM.

The provisional November figures bring the current-account surplus in the first 11 months to 5.5 billion DM against 7.4 billion DM in the year-ago period.

Earlier this year West Germany had been hoping to halve its final 1976 current-account surplus of 8.45 billion DM.

Sony's Profit Climbs 12.9%

TOKYO, Dec. 22 (AP-DJ).—Sony's consolidated net income in the year ended Oct. 31 was 12.9 per cent to a record \$4.64 billion yen (about \$149.74 million) from \$3.69 billion yen in the prior year.

Consolidated sales—up 9.2 per cent—set a new high at 506.02 billion yen compared with 463.53 billion yen in the prior year.

Earnings per American depositary share, equal to one common share, rose to 161 yen versus 142 yen.

Percent company only net income rose 16.8 per cent to 16.8 billion yen while sales rose 12.7 per cent to 131.996 billion yen.

Consolidated overseas sales rose 14 per cent to 310.72 billion yen, or 61.4 per cent of all sales compared with only 58.8 per cent in the prior year.

Fourth-quarter consolidated net income rose 19.5 per cent to 6.1 billion yen. Sales were up 15 per cent from the like year-ago quarter to 127.3 billion yen.

On a consolidated basis, television sales slumped 1.5 per cent to 165.88 billion yen in the year, slipping to 35.5 per cent of the total from 36.5 per cent in the prior year.

Tape recorder and radio sales fell 2.9 per cent to 102.3 billion yen, 20.3 per cent of the total versus 22.7 per cent.

The brightest spot in sales was video tape recorders, including the Betamax home video system, which gained 49.8 per cent to 71.46 billion yen—the third largest sales area, up from fourth place.

Video officials said they will put efforts into achieving a 10-per-cent sales increase in the current year, but that forecasts on net income this year are increasingly difficult.

Mutual Fund Sales Top Cash-ins

By Jack Egan

NEW YORK, Dec. 22 (WFF).—The mutual fund business, which many people not so long ago thought would be reeled into extinction, will end 1977 with the best year the industry has had in quite some time, both in terms of sales and performance.

Mutual fund sales for this year are estimated at \$54 billion, the highest level since the late 1960s, according to the Investment Company Institute (ICI), the major industry trade organization.

And for the first time since 1971, sales will outpace redemptions, which are expected to total just over \$48 billion this year.

The major reason for the upturn is an expansion and restructuring of the kinds of securities mutual funds invest in. This is exemplified by the phenomenal performance of the municipal bonds funds in 1977, which had new sales of nearly \$2.1 billion, a more than four-fold increase over the 1976 total, as investors were lured by the prospect of non-taxable interest income in a mutual fund format.

Straight corporate bond funds and others which promise current income and minimal risk also did well this year.

At the same time, the long-term liquidation trend in the equity funds—those that invest primarily or entirely in the stock market—continued. Sales of \$2.3 billion were offset by redemptions of \$4.3 billion. The desultory performance of the stock funds this year is understandable.

However, even here this is good news. Equity mutual funds will almost certainly outperform the stock market averages again this year, as they did in 1976, but had not done previously since 1971. By contrast, most bank trust departments and pension funds will probably lag the averages again in 1977.

With the Dow Jones industrial average off about 15 per cent this year, the Standard & Poor's 500 down about 8 per cent, and the New York Stock Exchange index off some 5 per cent, mutual funds that invest in stocks are up about 2 per cent through the end of November, according to Lipper Analytical Services Inc., which follows funds performance.

Mutual Fund Sales Top Cash-ins

Because of their number, average size and former popularity, the equity funds still account for the largest part of mutual fund assets—\$33.2 billion, or 75 per cent of the industry's \$44.6 billion asset total in 1977, according to the trade group's figures. This compares with peak mutual fund assets of \$59.8 billion in 1973.

(Counted separately are the money-market funds, which totaled \$3.2 billion in assets, as at October, not down much from their August 1975 peak of \$3.7 billion.)

The data that is perhaps most revealing about trends in the industry is the fact that bond funds now account for nearly 60 per cent of total mutual fund sales. In 1969, by contrast, sales of bond and income funds totaled only 11 per cent of sales.

Alfred Johnson, chief economist for the ICI, sees several marketing trends coming together in the last two years that have helped the industry regain its momentum, including both the expansion of the product mix (the latest wrinkle is option funds) and the emphasis on conversion privileges—or shifts from one fund to another within the same fund complex—that have offset straight redemptions.

Pension Funds Sitting on Cash

NEW YORK, Dec. 22 (AP-DJ).—Pension fund accounts, the largest source of buying and selling the stock market, appear to be heading toward year-end with their highest level of cash reserves since late 1974.

There's plenty of cash there. If pension-fund managers can get their courage up to use it for stocks they could cause a sharp market move but no one knows what it will take to change their psychology around," says Frank Block of Bache Halsey Stuart Shields.

Bache's annual survey pension-fund managers, shows that cash reserves have climbed to about 14 per cent of assets from 7 per cent a year ago (the fund managers consider 3 per cent reserves to be their minimum working balance).

In addition, the managers, on the whole, have become more conservative about the stock-bonds mix. They consider 6 per cent the proper portfolio proportion for stocks, down from 65 per cent a year ago.

Mutual Fund Sales Top Cash-ins

Company Agrees to Settle Charges

SEC Accuses Goodyear of Illegal Payoffs

WASHINGTON, Dec. 22 (AP-DJ).—The Securities and Exchange Commission has accused Goodyear of illegal payoffs to officials of the Mexican government to obtain a contract to supply tires to the Mexican government.

The SEC charged that Goodyear had made more than \$500,000 in questionable payments since 1970 to 20 foreign countries to political parties, government employees and labor union officials.

At the same time the commission filed the complaint in federal court in New York, Goodyear agreed to settle the agency's charges.

The company consented, without admitting any violations of law, to a permanent court injunction barring further violations of the federal securities laws and issued a report identifying most of the countries in which it made questionable payments. The list includes India, Mexico, Colombia and Nicaragua, but it does not name those who received the money.

The action against Goodyear was interpreted, last year, as the subject of a continuing commission investigation after it disclosed foreign payments totaling \$445,000 and the existence of a slush fund maintained by three foreign subsidiaries. Two years ago, the tire manufacturer said it made at least \$445,000 in U.S. political contributions between 1967 and 1973. The company disclosed then that \$250,000 used for the contributions came from a \$221,000 slush fund maintained overseas.

The commission's complaint and the company's accompanying report shed new light on the foreign slush fund and Goodyear's pattern of foreign payments. The \$250,000 fund was held in a Swiss bank account, the SEC alleged, and was collected from "confidential rebates" owed to Goodyear's foreign subsidiaries. None of that money was recorded on the books of Goodyear or its subsidiaries until 1970, when \$262,000 was taken into account on the books of a Goodyear foreign subsidiary, the commission said. Money from this fund, the SEC added, was used by the company for "illegal corporate contributions and for other purposes."

Goodyear and its subsidiaries also had more than \$1 million in other cash funds, the commission alleged, that were amassed by diverting corporate revenue and confidential rebates and by issuing false checks and false invoices. The SEC charged that those funds were used to make questionable payments to minor foreign government officials to assure an adequate supply of raw materials, secure government business and for police protection. They were also used for payments to foreign labor officials "to settle labor problems," for political contributions and for employee travel and moving expenses.

Goodyear identified 12 of those countries in which its subsidiaries maintained off-book cash funds and made questionable payments. The company said its Indian subsidiary had an unrecorded fund of more than \$500,000 between 1971 and 1975 from which it paid \$100,000 to the office of a low-level government official to "facilitate" the supply of electricity to the subsidiary's manufacturing facility.

Goodyear's Guatemala subsidiary in 1969 established a \$50,000 fund that was not recorded on its books and was used to make payments to government officials in that country, Nicaragua and El Salvador. The money went to get their help in obtaining government approval of the price increases, the company said.

Its Mexican subsidiary, Good-

Rally Widens On Big Board, Trade Is Up

Dollar's Recovery Seen Boosting Morale

NEW YORK, Dec. 22 (Reuters).—Gains by the dollar in foreign exchange markets today contributed to another in stock prices rally in the heaviest trading session of the month.

Analysts said investors were also encouraged by the market's ability to surmount the 80-level of the Dow Jones industrial average.

Investors may also have anticipated that the weekly money supply figures, issued every Thursday after the close, would show improvement.

After the close, the New York Federal Reserve Bank reported the nation's basic money supply, M-1, fell \$1.1 billion to a seasonally-adjusted average of \$333.8 billion in the latest week. The broader money supply, M-2, declined \$1 billion to an average of \$805.1 billion.

Among other factors helping the market was President Carter's announced plan to cut business income taxes by \$8 to \$7 billion, analysts said.

The Dow Jones index, up 6.32 points at 2 p.m., closed 7.38 points higher at 821.81.

Volume totaled 28.00 million shares compared with 24.51 million yesterday.

U.S. Steel, which finally joined ranks with other big steel producers in raising prices 5.5 per cent for most of its products, rose 3 3/8 to 30 5/8.

American Medicorp, the volume leader and biggest percentage gainer, jumped 4 3/4 to 20 1/4 on a tender offer by TWA's Hilton unit at \$20 a share.

IBM was up 2 1/2 at 268, Du Pont 1 1/8 at 118 3/8, Burroughs 4 at 71.

Monaco, reporting a gas find at a Texas well, advanced 1 1/2 to \$4 3/4. Getty Oil gained 1 to 17 1/2 and Halliburton tacked on 1 3/8 to 64 3/8.

In Chicago, soybean futures prices scored their best gains of the week, triggered by demand for soy meal in cash markets. Traders purchased wheat contracts because they believed government figures would show reduced winter wheat plantings. Market analysts said an explosion at a New Orleans grain elevator might slightly affect the amount of grain that could be shipped overseas.

Rally Widens On Big Board, Trade Is Up

Dollar's Recovery Seen Boosting Morale

NEW YORK, Dec. 22 (Reuters).—Gains by the dollar in foreign exchange markets today contributed to another in stock prices rally in the heaviest trading session of the month.

Analysts said investors were also encouraged by the market's ability to surmount the 80-level of the Dow Jones industrial average.

Investors may also have anticipated that the weekly money supply figures, issued every Thursday after the close, would show improvement.

After the close, the New York Federal Reserve Bank reported the nation's basic money supply, M-1, fell \$1.1 billion to a seasonally-adjusted average of \$333.8 billion in the latest week. The broader money supply, M-2, declined \$1 billion to an average of \$805.1 billion.

Among other factors helping the market was President Carter's announced plan to cut business income taxes by \$8 to \$7 billion, analysts said.

The Dow Jones index, up 6.32 points at 2 p.m., closed 7.38 points higher at 821.81.

Volume totaled 28.00 million shares compared with 24.51 million yesterday.

U.S. Steel, which finally joined ranks with other big steel producers in raising prices 5.5 per cent for most of its products, rose 3 3/8 to 30 5/8.

American Medicorp, the volume leader and biggest percentage gainer, jumped 4 3/4 to 20 1/4 on a tender offer by TWA's Hilton unit at \$20 a share.

IBM was up 2 1/2 at 268, Du Pont 1 1/8 at 118 3/8, Burroughs 4 at 71.

Monaco, reporting a gas find at a Texas well, advanced 1 1/2 to \$4 3/4. Getty Oil gained 1 to 17 1/2 and Halliburton tacked on 1 3/8 to 64 3/8.

In Chicago, soybean futures prices scored their best gains of the week, triggered by demand for soy meal in cash markets. Traders purchased wheat contracts because they believed government figures would show reduced winter wheat plantings. Market analysts said an explosion at a New Orleans grain elevator might slightly affect the amount of grain that could be shipped overseas.

THE WESTON GROUP

SPECIALISING IN INTERNATIONAL SOPHISTICATED FINANCE

operations including export financing without recourse to the Exporter.

Enquiries to: 8002 ZURICH, Stockenstr. 10. Tel.: 53.71. Tel.: 301.13.50. 10036 NEW YORK CITY, 500 Fifth Ave. Tel.: RGA 234.922. Tel.: 730.13.50.

EUROPEAN BUSINESS STRATEGY

MANAGING THE KEY EXTERNAL ISSUES

CONFERENCE AND WORKSHOP BRUSSELS, January 17-19, 1978

- A major conference covering all aspects of public, government and external affairs in Europe, plus the implications for strategic planning, industrial relations and general management.
- Workshops led by top executives from leading multinational companies covering the key issues in all major European countries.

10 Key Issue Speakers:

- John Hume, Special Advisor to Commissioner Richard Burke on Consumer Affairs.
- Jean-Pierre Cot, French Socialist Member of the National Assembly - A leading member of the Socialist Party.
- Rodney Dobell, Director Department of Economics & Statistics, OECD.
- Moss Evans, General Secretary Designate Transport and General Workers Union - UK.
- Charles Ford, General Secretary, International Textile, Garment and Leather Workers Federation.
- Olivier Giscard d'Estaing, Chairman, European Centre for International Co-operation.
- John Humble, Consultant.
- J.J. O'Connell, Professor CHL.
- Herman Rebban, General Secretary, International Metal Workers Federation.
- Edik Sterner, Deputy General Secretary, European Trade Union Federation.

15 workshop leaders include senior executives from: Honeywell, IIT, CPG, Continental Group, Goodyear, General Motors, Pfizer, Philips, Confindustria, Ericsson, Union Explosivos Rio Tinto, etc.

For information: MANAGEMENT COUNSELLORS INTERNATIONAL S.A. 262, Avenue Molière, 1060 Brussels, Belgium Telephone (02) 343.01.10, Telex 62903, Cable EMSEAEYE

The firm regrets to announce the resignation of

YANNIC P. MERCIER

Senior Vice-President and Director

Senior Officer of the International Division

for personal reasons as of January 1978

BLTYH EASTMAN DILLON & Co.

Incorporated

Overseas Offices Paris - Geneva - London.

NEW YORK, Dec. 23.—Cash prices in primary markets as reported today in New York were:

Commodity and unit	Thurs. Year ago
FOODS	
Cocoa beans, 1 lb. N.Y.	1.51%
Coffee, 4 lb. bag, N.Y.	2.00%
TEXTILES	
Practicals 4-5-30-2-30	44
METALS	
Steel billets (P.M.T.), ton	212.00
Iron 2 P.M.T. Phos., ton	214.50
Steel scrap No. 1, 100 lb.	45.50
Lead spool, lb.	33
Copper elect., lb.	69.50-71.70
Alum. 1 lb. 100 lb.	30.50
Alum. 2 lb. 100 lb.	30.50
Silver N.Y., oz.	1.650
Gold N.Y., oz.	130.20
COMMODITY INDEXES	
Moody's index (base 100 Dec. 31, 1931)	850.41
Dec. 22	850.50
Pretimber	850.50
F-P	850.50
Nominal	850.50

NEW YORK FUTURES	
Dec. 22, 1977	
SUGAR No. 11 (30 tons)	
Jan	6.00
Mar	5.90
May	5.80
Jul	5.70
Sep	5.60
Nov	5.50
Dec	5.40
Jan	5.30
Mar	5.20
May	5.10
Jul	5.00
Sep	4.90
Nov	4.80
Dec	4.70
Jan	4.60
Mar	4.50
May	4.40
Jul	4.30
Sep	4.20
Nov	4.10
Dec	4.00
Jan	3.90
Mar	3.80
May	3.70
Jul	3.60
Sep	3.50
Nov	3.40
Dec	3.30
Jan	3.20
Mar	3.10
May	3.00
Jul	2.90
Sep	2.80
Nov	2.70
Dec	2.60
Jan	2.50
Mar	2.40
May	2.30
Jul	2.20
Sep	2.10
Nov	2.00
Dec	1.90
Jan	1.80
Mar	1.70
May	1.60
Jul	1.50
Sep	1.40
Nov	1.30
Dec	1.20
Jan	1.10
Mar	1.00
May	0.90
Jul	0.80
Sep	0.70
Nov	0.60
Dec	0.50
Jan	0.40
Mar	0.30
May	0.20
Jul	0.10
Sep	0.00
Nov	-0.10
Dec	-0.20
Jan	-0.30
Mar	-0.40
May	-0.50
Jul	-0.60
Sep	-0.70
Nov	-0.80
Dec	-0.90
Jan	-1.00
Mar	-1.10
May	-1.20
Jul	-1.30
Sep	-1.40
Nov	-1.50
Dec	-1.60
Jan	-1.70
Mar	-1.80
May	-1.90
Jul	-2.00
Sep	-2.10
Nov	-2.20
Dec	-2.30
Jan	-2.40
Mar	-2.50
May	-2.60
Jul	-2.70
Sep	-2.80
Nov	-2.90
Dec	-3.00
Jan	-3.10
Mar	-3.20
May	-3.30
Jul	-3.40
Sep	-3.50
Nov	-3.60
Dec	-3.70
Jan	-3.80
Mar	-3.90
May	-4.00
Jul	-4.10
Sep	-4.20
Nov	-4.30
Dec	-4.40
Jan	-4.50
Mar	-4.60
May	-4.70
Jul	-4.80
Sep	-4.90
Nov	-5.00
Dec	-5.10
Jan	-5.20
Mar	-5.30
May	-5.40
Jul	-5.50
Sep	-5.60
Nov	-5.70
Dec	-5.80
Jan	-5.90
Mar	-6.00
May	-6.10
Jul	-6.20
Sep	-6.30
Nov	-6.40
Dec	-6.50
Jan	-6.60
Mar	-6.70
May	-6.80
Jul	-6.90
Sep	-7.00
Nov	-7.10
Dec	-7.20
Jan	-7.30
Mar	-7.40
May	-7.50
Jul	-7.60
Sep	-7.70
Nov	-7.80
Dec	-7.90
Jan	-8.00
Mar	-8.10
May	-8.20
Jul	-8.30
Sep	-8.40
Nov	-8.50
Dec	-8.60
Jan	-8.70
Mar	-8.80
May	-8.90
Jul	-9.00
Sep	-9.10
Nov	-9.20
Dec	-9.30
Jan	-9.40
Mar	-9.50
May	-9.60
Jul	-9.70
Sep	-9.80
Nov	-9.90
Dec	-10.00
Jan	-10.10
Mar	-10.20
May	-10.30
Jul	-10.40
Sep	-10.50
Nov	-10.60
Dec	-10.70
Jan	-10.80
Mar	-10.90
May	-11.00
Jul	-11.10
Sep	-11.20
Nov	-11.30
Dec	-11.40
Jan	-11.50
Mar	-11.60
May	-11.70
Jul	-11.80
Sep	-11.90
Nov	-12.00
Dec	-12.10
Jan	-12.20
Mar	-12.30
May	-12.40
Jul	-12.50
Sep	-12.60
Nov	-12.70
Dec	-12.80
Jan	-12.90
Mar	-13.00
May	-13.10
Jul	-13.20
Sep	-13.30
Nov	-13.40
Dec	-13.50
Jan	-13.60
Mar	-13.70
May	-13.80
Jul	-13.90
Sep	-14.00
Nov	-14.10
Dec	-14.20
Jan	-14.30
Mar	-14.40
May	-14.50
Jul	-14.60
Sep	-14.70
Nov	-14.80
Dec	-14.90
Jan	-15.00
Mar	-15.10
May	-15.20
Jul	-15.30
Sep	-15.40
Nov	-15.50
Dec	-15.60
Jan	-15.70
Mar	-15.80
May	-15.90
Jul	-16.00
Sep	-16.10
Nov	-16.20
Dec	-16.30
Jan	-16.40
Mar	-16.50
May	-16.60
Jul	-16.70
Sep	-16.80
Nov	-16.90
Dec	-17.00
Jan	-17.10
Mar	-17.20
May	-17.30
Jul	-17.40
Sep	-17.50
Nov	-17.60
Dec	-17.70
Jan	-17.80
Mar	-17.90
May	-18.00
Jul	-18.10
Sep	-18.20
Nov	-18.30
Dec	-18.40
Jan	-18.50
Mar	-18.60
May	-18.70
Jul	-18.80
Sep	-18.90
Nov	-19.00
Dec	-19.10
Jan	-19.20
Mar	-19.30
May	-19.40
Jul	-19.50
Sep	-19.60
Nov	-19.70
Dec	-19.80
Jan	-19.90
Mar	-20.00
May	-20.10
Jul	-20.20
Sep	-20.30
Nov	-20.40
Dec	-20.50
Jan	-20.60
Mar	-20.70
May	-20.80
Jul	-20.90
Sep	-21.00
Nov	-21.10
Dec	-21.20
Jan	-21.30
Mar	-21.40
May	-21.50
Jul	-21.60
Sep	-21.70
Nov	-21.80
Dec	-21.90
Jan	-22.00
Mar	-22.10
May	-22.20
Jul	-22.30
Sep	-22.40
Nov	-22.50
Dec	-22.60
Jan	-22.70
Mar	-22.80
May	-22.90
Jul	-23.00
Sep	-23.10
Nov	-23.20
Dec	-23.30
Jan	-23.40
Mar	-23.50
May	-23.60
Jul	-23.70
Sep	-23.80
Nov	-23.90
Dec	-24.00
Jan	-24.10
Mar	-24.20
May	-24.30
Jul	-24.40
Sep	-24.50
Nov	-24.60
Dec	-24.70
Jan	-24.80
Mar	-24.90
May	-25.00
Jul	-25.10
Sep	-25.20
Nov	-25.30
Dec	-25.40
Jan	-25.50
Mar	-25.60
May	-25.70
Jul	-25.80
Sep	-25.90
Nov	-26.00
Dec	-26.10
Jan	-26.20
Mar	-26.30
May	-26.40
Jul	-26.50
Sep	-26.60
Nov	-26.70
Dec	-26.80
Jan	-26.90
Mar	-27.00
May	-27.10
Jul	-27.20
Sep	-27.30
Nov	-27.40
Dec	-27.50
Jan	-27.60
Mar	-27.70
May	-27.80
Jul	-27.90
Sep	-28.00
Nov	-28.10
Dec	-28.20
Jan	-28.30
Mar	-28.40
May	-28.50
Jul	-28.60
Sep	-28.70
Nov	-28.80
Dec	-28.90
Jan	-29.00
Mar	-29.10
May	-29.20
Jul	-29.30
Sep	-29.40
Nov	-29.50
Dec	-29.60
Jan	-29.70
Mar	-29.80
May	-29.90
Jul	-30.00
Sep	-30.10
Nov	-30.20
Dec	-30.30
Jan	-30.40
Mar	-30.50
May	-30.60
Jul	-30.70
Sep	-30.80
Nov	-30.90
Dec	-31.00
Jan	-31.10
Mar	-31.20
May	-31.30
Jul	-31.40
Sep	-31.50
Nov	-31.60
Dec	-31.70
Jan	-31.80
Mar	-31.90
May	-32.00
Jul	-32.10
Sep	-32.20
Nov	-32.30
Dec	-32.40
Jan	-32.50
Mar	-32.60
May	-32.70
Jul	-32.80
Sep	-32.90
Nov	-33.00
Dec	-33.10
Jan	-33.20
Mar	-33.30
May	-33.40
Jul	-33.50
Sep	-33.60
Nov	-33.70
Dec	-33.80
Jan	-33.90
Mar	-34.00
May	-34.10
Jul	-34.20
Sep	-34.30
Nov	-34.40
Dec	-34.50
Jan	-34.60
Mar	-34.70
May	-34.80
Jul	-34.90
Sep	-35.00
Nov	-35.10
Dec	-35.20
Jan	-35.30
Mar	-35.40
May	-35.50
Jul	-35.60
Sep	-35.70
Nov	-35.80
Dec	-35.90
Jan	-36.00
Mar	-36.10
May	-36.20
Jul	-36.30
Sep	-36.40
Nov	-36.50
Dec	-36.60
Jan	-36.70
Mar	-36.80
May	-36.90
Jul	-37.00
Sep	-37.10
Nov	-37.20
Dec	-37.30
Jan	-37.40
Mar	-37.50
May	-37.60
Jul	-37.70
Sep	-37.80
Nov	-37.90
Dec	-38.00
Jan	-38.10
Mar	-38.20
May	-38.30
Jul	-38.40
Sep	-38.50
Nov	-38.60
Dec	-38.70
Jan	-38.80
Mar	-38.90
May	-39.00
Jul	-39.10
Sep	-39.20
Nov	-39.30
Dec	-39.40
Jan	-39.50
Mar	-39.60
May	-39.70
Jul	-39.80
Sep	-39.90
Nov	-40.00
Dec	-40.10
Jan	-40.20
Mar	-40.30
May	-40.40
Jul	-40.50
Sep	-40.60
Nov	-40.70
Dec	-40.80
Jan	-40.90
Mar	-41.00
May	-41.10
Jul	-41.20
Sep	-41.30
Nov	-41.40
Dec	-41.50
Jan	-41.60
Mar	-41.70
May	-41.80
Jul	-41.90
Sep	-42.00
Nov	-42.10
Dec	-42.20
Jan	-42.30
Mar	-42.40
May	-42.50
Jul	-42.60
Sep	-42.70
Nov	-42.80
Dec	-42.90
Jan	-43.00
Mar	-43.10
May	-43.20
Jul	-43.30
Sep	-43.40
Nov	-43.50
Dec	-43.60
Jan	-43.70
Mar	-43.80
May	-43.90
Jul	-44.00
Sep	-44.10
Nov	-44.20
Dec	-44.30
Jan	-44.40
Mar	-44.50
May	-44.60
Jul	-44.70
Sep	-44.80
Nov	-44.90
Dec	-45.00
Jan	-45.10
Mar	-45.20
May	-45.30
Jul	-45.40
Sep	-45.50
Nov	-45.60
Dec	-45.70
Jan	-45.80
Mar	-45.90
May	-46.00
Jul	-46.10
Sep	-46.20
Nov	-46.30
Dec	-46.40
Jan	-46.50
Mar	-46.60
May	-46.70
Jul	-46.80
Sep	-46.90
Nov	-47.00
Dec	-47.10
Jan	-47.20
Mar	-47.30
May	-47.40
Jul	-47.50
Sep	-47.60
Nov	-47.70
Dec	-47.80
Jan	-47.90
Mar	-48.00
May	-48.10
Jul	-48.20
Sep	-48.30
Nov	-48.40
Dec	-48.50
Jan	-48.60
Mar	-48.70
May	-48.80
Jul	-48.90
Sep	-49.00
Nov	-49.10
Dec	-49.20
Jan	-49.30
Mar	-49.40
May	-49.50
Jul	-49.60
Sep	-49.70
Nov	-49.80
Dec	-49.90
Jan	-50.00
Mar	-50.10
May	-50.20
Jul	-50.30
Sep	-50.40
Nov	-50.50
Dec	-50.60
Jan	-50.70
Mar	-50.80
May	-50.90
Jul	-51.00
Sep	-51.10
Nov	-51.20
Dec	-51.30
Jan	-51.40
Mar	-51.50
May	-51.60
Jul	-51.70
Sep	-51.80
Nov	-51.90
Dec	-52.00
Jan	-52.10
Mar	-52.20
May	-52.30
Jul	-52.40
Sep	-52.50
Nov	-52.60

[illegible]

High Low Last Chrg				Toronto Stocks				High Low Last Chrg				High Low Last Chrg			
Questions	In	Canadian funds	cents unless marked \$	Questions	In	Canadian funds	cents unless marked \$	Questions	In	Canadian funds	cents unless marked \$	Questions	In	Canadian funds	cents unless marked \$
5494 Auto	1014	1014	1014	7882 Falcon C	400	425	440	53600 Ouellet B	514	1346	14 + W	8645 Trns Mt A	97 1/4	97 1/4	+ 1/4
2023 Agincourt	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	22000 Orban A	186	184	184	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320	194	20 + W	1285 Ouellet B	514	1346	14 + W	4446 Trns PL	515 1/4	515 1/4	15 1/4
12965 Alfa	1014	1014	1014	5719 Piller Nlk A	320										

[illegible]

**For sale, highly luxurious duplex apartments
in large park.
Flowered terraces.
Near sea and beaches. Parking.
From \$595 per sq. meter.
Dr. Glaviniski, Eden Residence,
06320 Cap d'Ail, France.**

Dec. 22, 1977				Stock Indexes				1977	
	Class	N.C.							
London	159.90	162.40	+4.10						
Paris	159.60	159.75	— .15						
Yen (72.5 kina)	165.14	163.66	— 2.18						
U.S. dollars per ounce.									
Eurocurrency									
Interest Rates									
German Swine									
Dollar	Mark	Prime	Starting						
1-3	1-3	1-3	1-3						
1-5	1-5	1-5	1-5						
1-7	1-7	1-7	1-7						
1-9	1-9	1-9	1-9						
1-11	1-11	1-11	1-11						
1-13	1-13	1-13	1-13						
1-15	1-15	1-15	1-15						
1-17	1-17	1-17	1-17						
1-19	1-19	1-19	1-19						
1-21	1-21	1-21	1-21						
1-23	1-23	1-23	1-23						
1-25	1-25	1-25	1-25						
1-27	1-27	1-27	1-27						
1-29	1-29	1-29	1-29						
1-31	1-31	1-31	1-31						
1-33	1-33	1-33	1-33						
1-35	1-35	1-35	1-35						
1-37	1-37	1-37	1-37						
1-39	1-39	1-39	1-39						
1-41	1-41	1-41	1-41						
1-43	1-43	1-43	1-43						
1-45	1-45	1-45	1-45						
1-47	1-47	1-47	1-47						
1-49	1-49	1-49	1-49						
1-51	1-51	1-51	1-51						
1-53	1-53	1-53	1-53						
1-55	1-55	1-55	1-55						
1-57	1-57	1-57	1-57						
1-59	1-59	1-59	1-59						
1-61	1-61	1-61	1-61						
1-63	1-63	1-63	1-63						
1-65	1-65	1-65	1-65						
1-67	1-67	1-67	1-67						
1-69	1-69	1-69	1-69						
1-71	1-71	1-71	1-71						
1-73	1-73	1-73	1-73						
1-75	1-75	1-75	1-75						
1-77	1-77	1-77	1-77						
1-79	1-79	1-79	1-79						
1-81	1-81	1-81	1-81						
1-83	1-83	1-83	1-83						
1-85	1-85	1-85	1-85						
1-87	1-87	1-87	1-87						
1-89	1-89	1-89	1-89						
1-91	1-91	1-91	1-91						
1-93	1-93	1-93	1-93						
1-95	1-95	1-95	1-95						
1-97	1-97	1-97	1-97						
1-99	1-99	1-99	1-99	</					

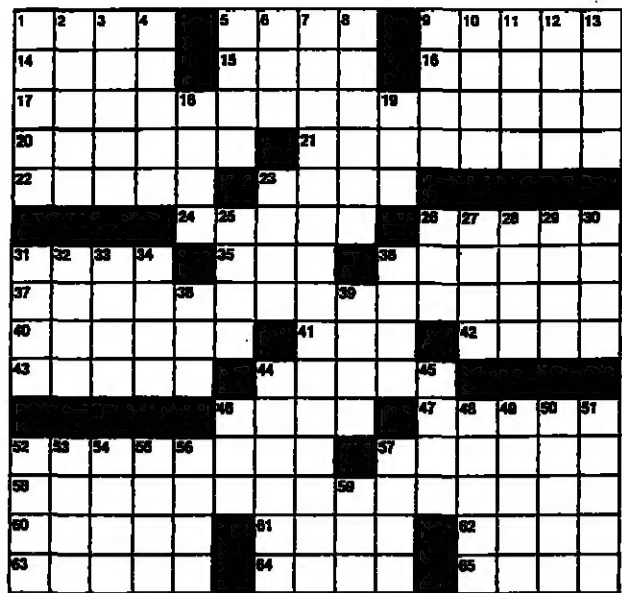
[illegible]

Spacious elegant flat
in exclusive Eaton Square
for sale.
Consists of:

Northern Calif.
77 Acres in Bay Area
0 miles northeast of
San Francisco
Manneng Corp.
P.O. Box 76,932,
Los Angeles, CA 90076.

International Herald Tribune
We've got news for you

CROSSWORD—By Eugene T. Maleska

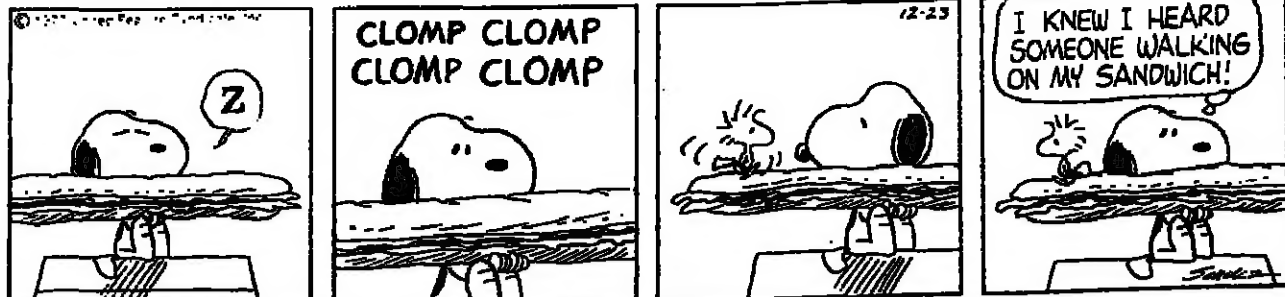


- ACROSS**
- 1 Jokers
 - 9 Charlie's call
 - 14 Paris airport
 - 15 Sign on
 - 16 Singer Reddy
 - 17 Spread
 - 20 Dickens' "Artful" one
 - 21 Not quite a direct hit
 - 22 Fruit is a natural one
 - 23 Major Hoople's expletive
 - 24 Slipped out of course
 - 26 Carriers of boxing fame
 - 31 Franklin's mother
 - 35 Pitti Palace attraction
 - 36 Hardy in old films
 - 37 Burgess novel, "A—"
 - 40 Loved
 - 41 Signora's "Mangia!"
 - 42 Spot for a slot
 - 43 Subway fare
 - 44 The scrubs
 - 46 Enkreat earnestly
 - 47 Bright
 - 52 His end is in sight
 - 57 Secret
- DOWN**
- 1 Orchestra members, for short
 - 2 Quiver article
 - 3 Clearing in a forest
 - 4 Playboy of the Western World playwright
 - 5 Entertainer from El Centro, Calif.
 - 6 Flange
 - 7 Sight near Ocala
 - 8 "We are all poets when— a poem well" Carlyle
 - 9 Carbide
 - 10 Tiller
 - 11 Jail
 - 12 Darlings of Cincinnati
 - 13 "Snake eyes" in Reno
 - 18 With 19 Down, becomes enraged
 - 19 See 18 Down
 - 22 Large kangaroo
 - 25 Character in "The Green Pastures"
 - 26 With "favor," senior's "Please"
 - 27 Way
 - 28 —time (prompt)
 - 29 "Let— Lover!"
 - 30 1964 song
 - 31 Kind of criminal trial
 - 31 Type of jazz singing
 - 32 Actor Ray
 - 33 Swindle
 - 34 Israeli port
 - 36 U.S.A. reserve group
 - 38 Range of vision
 - 39 Orson Welles role
 - 40 City on the West
 - 41 Senator from Colorado
 - 46 Cousin of a "gee-tar"
 - 48 Scenic view
 - 49 Typical Wisconsin farm
 - 50 Broadway hit: 1977
 - 51 "Darling Daughter"
 - 52 Out of shape
 - 53 Calapa, e.g.
 - 54 Viperate
 - 55 Noun suffix
 - 56 Man's "seven"
 - 57 — Domini
 - 59 Midcast initials of yesterday

WEATHER

ALABAMA	4	10	Fog
ALASKA	10	20	Fog
ARIZONA	3	36	Overcast
ARKANSAS	3	36	Overcast
CALIFORNIA	10	20	Fog
COLORADO	10	20	Fog
CONNECTICUT	10	20	Fog
DELAWARE	10	20	Fog
FLORIDA	10	20	Fog
GEORGIA	10	20	Fog
ILLINOIS	10	20	Fog
INDIANA	10	20	Fog
IOWA	10	20	Fog
KANSAS	10	20	Fog
KENTUCKY	10	20	Fog
LOUISIANA	10	20	Fog
MAINE	10	20	Fog
MARYLAND	10	20	Fog
MASSACHUSETTS	10	20	Fog
MICHIGAN	10	20	Fog
MINNESOTA	10	20	Fog
MISSISSIPPI	10	20	Fog
MISSOURI	10	20	Fog
MONTANA	10	20	Fog
MONTREAL	10	20	Fog
NEBRASKA	10	20	Fog
NEVADA	10	20	Fog
NEW HAMPSHIRE	10	20	Fog
NEW JERSEY	10	20	Fog
NEW MEXICO	10	20	Fog
NEW YORK	10	20	Fog
NORTH CAROLINA	10	20	Fog
NORTH DAKOTA	10	20	Fog
OHIO	10	20	Fog
OKLAHOMA	10	20	Fog
OREGON	10	20	Fog
PENNSYLVANIA	10	20	Fog
RHODE ISLAND	10	20	Fog
SOUTH CAROLINA	10	20	Fog
SOUTH DAKOTA	10	20	Fog
TENNESSEE	10	20	Fog
TEXAS	10	20	Fog
UTAH	10	20	Fog
Vermont	10	20	Fog
VIRGINIA	10	20	Fog
WASHINGTON	10	20	Fog
WEST VIRGINIA	10	20	Fog
WISCONSIN	10	20	Fog
WYOMING	10	20	Fog

PEANUTS



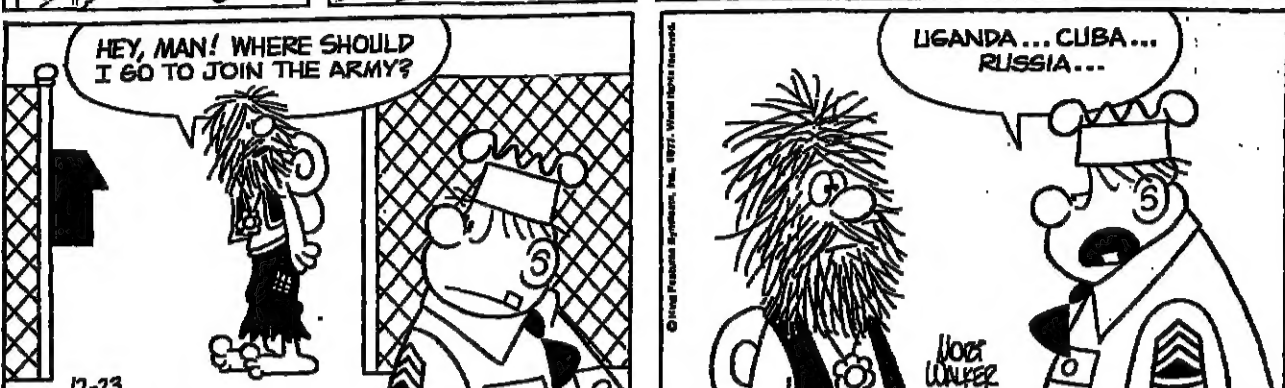
B.C.



B.L.O.N.D.I.E.



B.E.E.T.L.E.



A.N.D.Y. C.A.P.P.



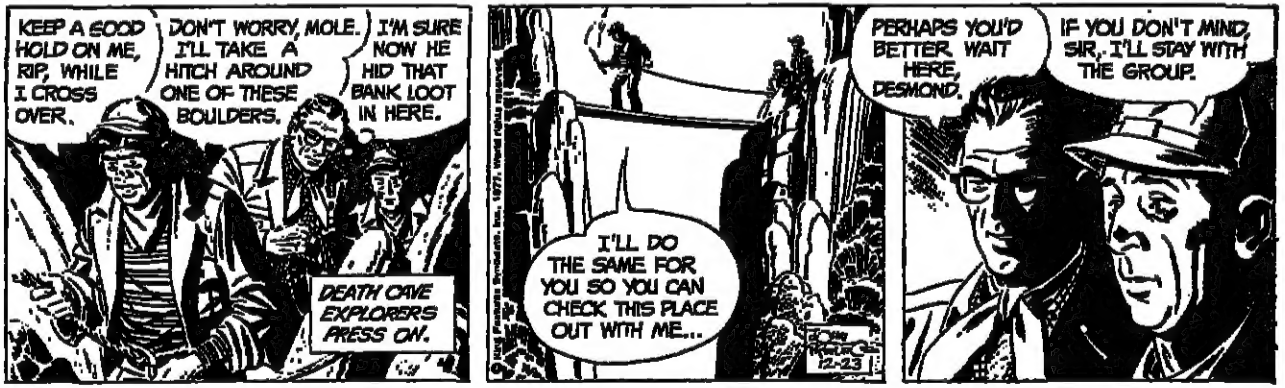
W.I.Z.A.R.D.



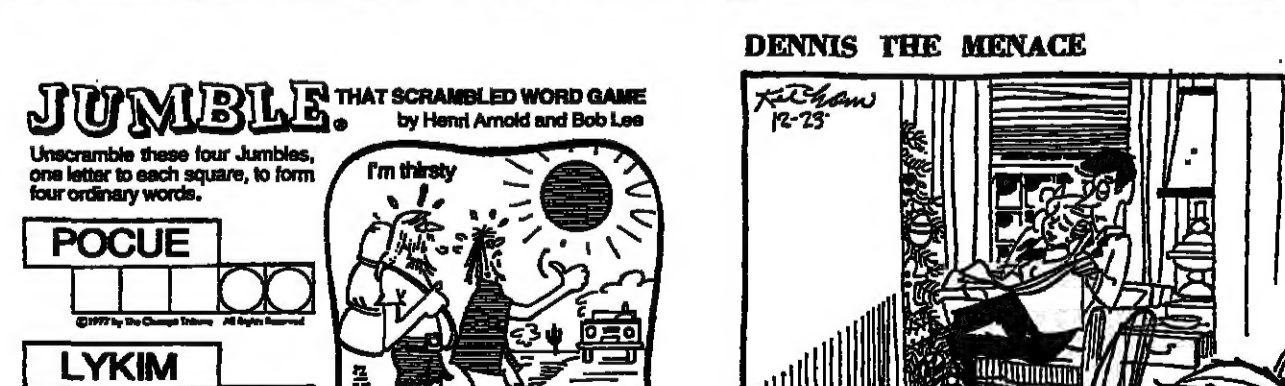
R.E.X.



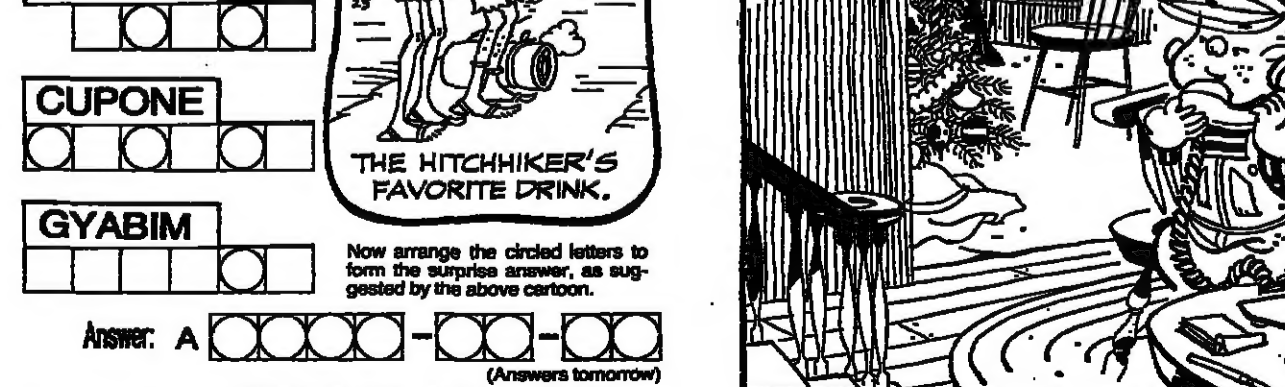
M.O.R.G.A.N.



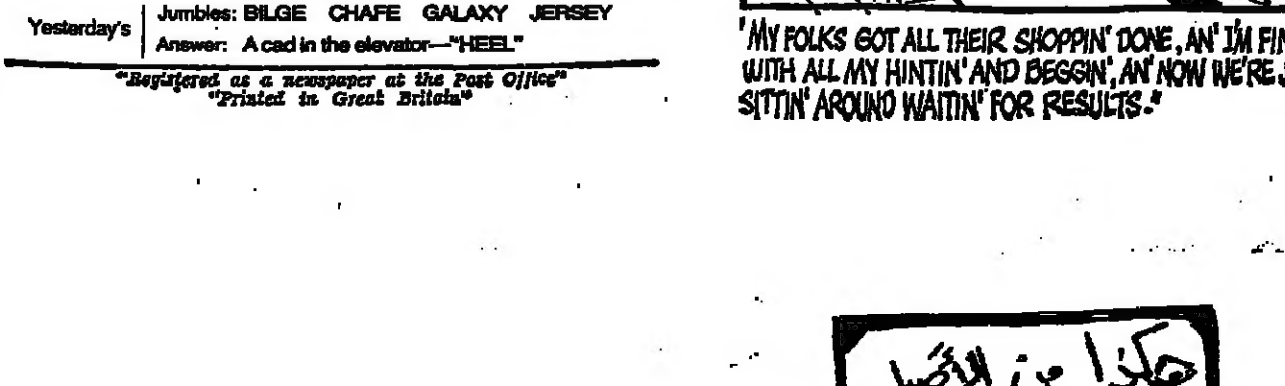
M.D.



R.I.P.



K.I.R.B.Y.



BOOKS

WILLIAM BLAKE
The Seer and His Visions
By Milton Klossky. Harmony Books. Illustrated. 142 pp.
\$12 cloth, \$6.95 paper.

Reviewed by Anatole Broyard

A PROPHET who enjoys a vogue in his own time runs the risk of vulgarization, of having his visions adulterated by the adulation of his followers. Marx, Freud and McLuhan all lived to see themselves parodied by misguided enthusiasts. Even Allen Ginsberg and Timothy Leary may not have deserved the chanting of their names in coffee shops.

William Blake suffered no such fate. Because no one else did, he listened to himself, turned inward and encouraged his eye, ear, tongue, heart and mind, as he invoked them, to "catch fire," to burn down the graceless edifices of 18th-century rationalism.

"The tigers of wrath are wiser than the horses of instruction," Blake wrote, and for all personal sweetness of disposition, there was a cosmic wrath in the mythology he evolved to explain a world he never made or approved. Opposed to private property, the established church and formal government, Blake was a rare revolutionary for his time. He even went so far as to suggest—foreshadowing Freud and Wilhelm Reich—that society would benefit by "an improvement of sensual enjoyment." In one of his visions, he reported seeing John Milton, who, in Blake's words, "came to ask a favor of me. He said he had committed an error in his 'Paradise Lost' which he wanted me to correct... he wished me to expose the falsehood of his doctrine, taught in the 'Paradise Lost' that sensual intercourse arose out of the Fall. Now that cannot be, for no good can spring out of Evil."

Blake's mythology was an apocalypse. With fire in his eye, he sang the Book of Revelation with the alchemized imitations of the Gnostic and Hermetic philosophers Jacob Boehme, Paracelsus and Swedenborg. He was like a director who saw the drama of creation as an experimental play, rich in ringing lines and drastic imagery.

To assist the timid and brow-beaten public to understand his poetry, Blake spelled it out in pictures. The pictures in this volume, as Milton Klossky points out in "William Blake: The Seer and His Visions," the pictures were not for Blake mere illustrations or visual equivalents—they were portraits of gods and demons Blake had seen, who actually existed, and of events that had literally occurred. One can feel the impulse of this conviction in studying the extraordinary pictures with which the book is packed.

The majesty of Blake's work, of course, is not in the pictures, but in the poetry. Blake's poetry is not a mere collection of words, but a living, breathing, pulsing, and sometimes terrifying, force. It is a force that has inspired generations of writers, artists, and thinkers. It is a force that has shaped the course of Western civilization. It is a force that is still with us today, and it is a force that we must not ignore.

Now South was threatened with the loss of a heart, as well as the obvious loss of the other suits. He solved the problem by leading the diamond king, and throwing the heart king, winner-on-loser. West won, it did not matter what he had done. Eventually South could play a club loser on the diamond to make his contract. He played two spade tricks, two diamond tricks and one club.

Notes that a similar situation had occurred in the past, when the king had been forced from dummy immediately. South would have led the diamond jack from dummy, thrown a club, loser-on-loser. This would have threatened the defense for the defense to score heart ruff.

BRIDGE

By Alan Truesdale

Beginners learn to throw losers on winners, and when they are experienced, they find there are sometimes advantages to be gained from throwing a loser on a loser. But who ever heard of throwing a winner on a loser?

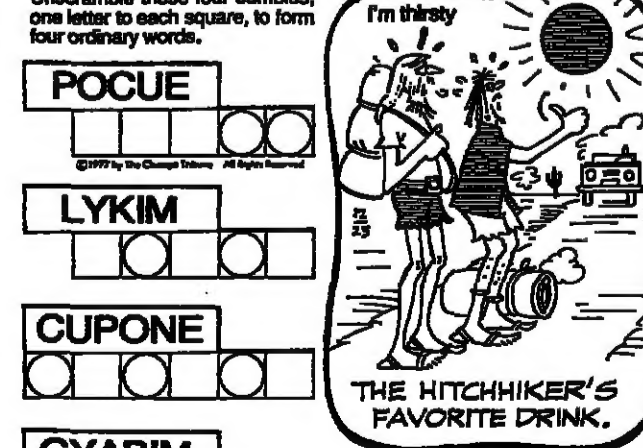
The right moment for the strange maneuver was found by South on the hand shown. He landed in a modest contract of two spades after his partner opened with one diamond to fourth seat and West had made a tenuous double showing clubs and hearts.

At first sight it appears that two spades should be easy. With the club ace favorably placed, the declarer seems due to lose two trump tricks, two clubs and a diamond. But the opening heart lead threatened a third-round ruff in that suit.

The heart king in dummy won the first trick, and South cashed

JUMBLE. THAT SCRAMBLED WORD GAME

by Henri Arnold and Bob Lee



Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

POCUE
LYKIM
CUPONE
GYABIM

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: A C A D I N E

Yesterday's Jumbles: BILGE CHAFE GALAXY JERSEY
Answer: A cad in the elevator—HEEL

DENNIS THE MENACE



"MY FOLKS GOT ALL THEIR SHOPPIN' DONE, AN' I'M FINISHED WITH ALL MY HUNTIN' AND BEGGIN', AN' NOW WE'RE JUST SORTA SITTIN' AROUND WAITIN' FOR RESULTS."

هذا من الأصل

